1925

GF

File No.: 119 & 1925

Serial No.: 3 To 10

1925. File No. 119-25

(9.7) Serial Nos. 3 to 10

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eral and Revenue Secretariat.

Part B for Dec 25

SUBJECT

Proprietary manager Bank of

Wm Lee

Memo No 103 E.4 Confidential

REPLY

(To be written on this margin.)

Office of the Dewan of Mysore.

File No 1198-1925 6
Secn 38 10

NOTE.

Dated.....30th August.....1925.

Copy of letter from the Chairman of the Board of Directors of the Bank of Mysore Ltd. with the enclosures received from him are forwarded with compliments, to the Financial Secretary for favour of putting up the official papers in the matter.

30 AUG 1925

No official comments on any of the subjects mentioned in the Bank Board Resolution has been received.

The file relating to Complaints by Mr. D. Rajan was submitted to Dewan some time back in connection with the alleged leakage of information relating to Directors indebtedness.

The approval of Govt. to the appointment of Manager is required under Condition No. 2 of the Agreement with the Bank dated 30th August 1913.

Govt. Note 25/25

3/9

Copy of letter dated 17th August 1925 from the Chairman of the Board of Directors of the Bank of Mysore, Ltd., to the Dewan of Mysore.

You will be glad to hear that the long standing dispute between the Bank and Mr. Raju regarding the moneys received by him from the Bank for services rendered has been settled in a manner satisfactory to both parties. Mr. Raju is fully satisfied with the settlement. I send a copy of the Board's resolution and Mr. Raju's letter of acquittance.

The Board has accepted Mr. Rose's resignation and sanctioned the consequential arrangements, subject to the approval of Government, for which application will be made in due course. I send you a copy of the Board's resolution for your information.

I hope to see ~~xxxx~~ you at an early date.

Proceedings of the Board Meeting held on the 14th August 1925 at 8 A.M..

Absent: Mr. B.V.Krishnaiengar.

Agenda: To consider the matter of the excess payments received by Mr. L.S.Raju, M.A., B.L., for the conduct of the Bank's suits and otner work entrusted to his firm since his appointment on the 27th October 1921 as Legal Adviser to the Bank.

Read: Mr. C.S.Doraswami Iyer's opinion dated 1st June 1925.

Resolved: "The Board while generally agreeing with Mr. Doraswamy Iyer, resolve on a full consideration of all the circumstances of the case to drop the question of taking legal steps to recover the excess moneys paid to Messrs L. Sreenivasaiengar and L.S.Raju, M.A., B.L., the Bank's late Solicitors, on condition that a full and clear acquittance is passed by the Solicitors and the Bank of Mysore, Ltd., in respect of mutual claims against each other on account of professional services rendered and other work

done by them in their capacity of Legal Advisers to the Bank and declaring that the said solicitors have no claims whatsoever against the said Bank in respect of any moneys or other obligations, etc. The Manager is authorised to pass the necessary acquittance in behalf of the Bank.

(Sd.) K.P.Puttanna Chetty,
Chairman. 15-8-25.

Copy of letter No. D.O.Special dated 14th August 1925 from Messrs L.Sreenivasaiengar and L.S.Raju, Advocates, Chickpet, Bangalore City, to the Manager, The Bank of Mysore Ltd., Bangalore City.

Dear Sir,

1. Mr. K. G. Pasupathy Iyer, Director of the Bank, informed me (L.S.Raju) just now (11-35 a.m.) in brief the general sense of the Meeting of the Board of Directors of the Bank convened this morning to the effect that the Bank and ourselves should be quits, so far as the mutual claims put forward by the Bank and us respectively against each other are concerned.

2. Having regard to the permanent interests of the Bank with which we have been intimately associated and connected for well nigh ten years since its inception and also to the fact that the Bank and ourselves should part now as, and continue hereafter to be, honourable friends, we are agreeable to the Board kindly adopting a resolution to the effect that we and the Bank should be and are quits henceforward so far as our mutual claims against each other, now in respect of monies paid or due to us for professional work, are concerned.

In other words, it is to be noted that there is absolutely nothing due and owing by us to the Bank in respect of monies paid to us by the Bank for professional work, in our capacity as its legal advisers, and similarly there is

also nothing owing to us by the Bank in respect of the same.

3. We shall thank you to forward to us a copy of the Board's resolution for our reference.

4. As this letter has also to be regarded in the nature of an acquittance, we have affixed an anna receipt stamp to it and cancelled it. We request that a similar procedure be adopted by the Bank in forwarding to us a copy of the Board's resolution to the above effect.

5. Wishing the Bank all prosperity and hoping that our mutual relations henceforward at least will be cordial and honourable,

Yours faithfully,

One anna
Receipt Stamp
crossed and
dated 14-8-25.

(Sd.) L. S. Raju,
for L. Sreenivasaiengar & L.S. Raju,
Advocates.

Proceedings of the Board Meeting held on the 14th August 1925.

R e a d: Mr. W.C.Rose's letter dated 30th June 1925 submitting his resignation of his appointment in the Bank with effect from the 30th September 1925.

Resolved: The Board accept, with regret, the resignation of Mr. W. C. Rose with effect from 30th September 1925, Messrs B.K.Garudachar, M.L.Vardhamaniah, M.Hariyanna and M.Channabasappa dissenting and wishing to retain Mr. Rose until the next general meeting of share-holders.

Note.- Mr. Rose expressed himself as unwilling to accept an extension on present conditions.

The Board resolve to appoint Mr. P.W.O'Brien as Offg. Manager, subject to the approval of the Government of Mysore, from the date of Mr. Rose's departure, on a salary of Rs 1,400 until he reacnes Rs 1,500 in terms of his agreement dated 30th May 1924. He will occupy the free quarters in Bank premises. The post of Deputy Manager need not be filled up.

5

The Board resolve further that the Chairman be requested to take suitable notice of the conduct of Mr. P.W.O'Brien on certain matters reported by the Manager at the Board meeting today.

The Board resolve to give a farewell entertainment to Mr. Rose on the termination of his connection with the Bank.

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10

P.W.D.
Pay D.
C -
C - page 1.
B.

Sir K.P.Puttanna Chetty's reply to our letter dated 3rd September 1925 was received by me to-day and I am herewith submitting it. Enclosure (3) to the above letter contains the charges against Mr. O'Brien, his explanation and the Manager's remarks thereon. Mr. O'Brien's explanation is unsatisfactory throughout and in some cases, the defence put forward shows that he is not a fit person to be entrusted with the very responsible duties of the Manager. I think that the notice taken by the Board of Directors of the conduc of Mr. O'Brien overlooks the serious nature of the irregularities and acts of indiscipli committed by him. However unpleasant the relations between Mr. Rose and Mr. O'Brien were, the latter had no excuse whatever for behaving as he did in so many cases, affecti his conduct as a very responsible officer of the Bank. Mr. O'Brien's acts of omission and commission and his inability to explain them properly required on the part of the Board something more effective than a mere expression of regret that "his conduct toward Mr. Rose was unsatisfactory." Neither the Board nor the Government are concerned with the personal relations between Mr. O'Brien and Mr. Rose. Mr. O'Brien's conduct as the Deputy Manager was unwarranted and I consider that adequate notice of it has not been taken

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taken by the Board.

In the circumstances stated above, I think that it is undesirable for Government to approve of Mr. O'Brien's appointment as Manager. It would indeed be a strange termination of this episode if the Deputy whose conduct is condemned is promoted as Manager while the Manager, whom this Deputy defied, who has contributed so much to the successful working of the Bank from its commencement and whose action in relation to the loans advanced to the Directors and the Firms in which they are interested, which was so much criticised but which is now vindicated by the findings of the Special Committee appointed by the share-holders, should be driven to tender his resignation and cease to be associated with the Bank any longer.

The note to the first resolution recorded in the minutes of the Board's Meeting dated 14th August 1925 shows that Mr. Rose is " unwilling to accept an extension on present conditions." The reference to present conditions is obviously to the situation caused by the Deputy's attitude of defiance towards his Manager. The ~~xxxxxxxx~~ investigation has proved that in all the cases of charges brought against him, the Deputy was wrong and the Manager was right.

In view of all that is stated above, I think it is desirable that in the public interest

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interests as well as in the interests of the Bank, Mr O'Brien is not appointed as Manager at any rate, for some time to come. ~~xxxx~~ If it is possible, it is advisable to keep on Mr. Rose for some time more and permit him to retire when the controversies that have been going on for some time past about the Bank are silenced and the public will not misread Mr. Rose's severing his connection with it.

DEWAN.)

Mull 24.9.25

Maybe circulated to the members of the Executive

Mull 25-9

Forwarded with compts to the Chief Sec. Mr. Kerr of the Aryan Hosiery Factory gave me a copy of a memorial & I have placed it in the file. Mull 26.9.25

Circulated to Exec. 26/9/25

2nd Member 26/9/25 26/9/25

1st Member 1611.

30/9/25

30/9/25

Recd on 30/9/25

NOTE—Contn. Sheet

13

G. R. S. III—3]

ROUTINE NOTES.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

The question of selecting a new Governor for the Bank of Ireland has been referred to Council to be taken up at the next meeting. It may take some time before the next meeting, some advertisement may to be sent to the Chairman as there is the may be asked to the resolution of the Board based upon names may only in regard to the appointment of Mr. O'Brien the

Dewan 28/9/25

Mr. O'Brien may be returned as early as possible

28/9/25

N. B.—Should routine notes be written on small slips the notes must be gipoed, or slips pasted on this form.

Dewan's order of 28-9-25 (Put the Dewan on first date)

" I have spoken to Sir K.P. Puttanna Chetty and the communication need be addressed to him"

Mysore 29. 9. 25

The first day

28/9/25

Extract from the Proceedings of the 752nd *Meeting of the Council of His Highness the Maharaja, held at* ~~Bangalore~~ Mysore *on the* 1st October 1925. *19* .

14

58. Subject. - Clause v of the Schedule.

Appointment of Manager, Bank of Mysore.

OPINION OF THE COUNCIL.

In view of the charges that were framed and investigated subsequent to the date of the resolution of the Board of Directors, dated 14th August, the Council consider that Mr. O'Brien is not a proper person to be appointed as Manager of the Bank at the present juncture but having regard to all the circumstances he may be appointed as Manager temporarily for a period of six months at the end of which Government reserve to themselves the power to decide as to the most suitable arrangements regarding the Managership in the interests of the Bank.

(Sd.) A.R.Banerji,
Dewan of Mysore.

"EXTRACT"

Chief Secretary to Government.

WD 433—GPB—1,000—1-9-20

"In view of the charges that were framed and investigated subsequent to the date of the resolution of the Board of Directors dated the 14th August, the Council consider that Mr. O'Brien is not a proper person to be appointed as Manager of the Bank at the present juncture, but having regard to all the circumstances he may be appointed as Manager temporarily for a period of six months at the end of which Government reserve to themselves the power to decide as to the most suitable arrangements regarding the Managership in the interests of the Bank."

The procedure adopted by the Board in dealing with this important matter is open to grave objection. Under the Agreement, the appointment of the Manager and the Deputy Manager both require the approval of the Government, but no official communication of the proposed changes was received till the 18th September. Moreover, when certain specific charges were made against Mr. O'Brien by Mr. Rose, the Directors did not investigate them but merely authorized the Chairman to take suitable notice of the conduct of Mr. O'Brien. This was after the resolution appointing Mr. O'Brien was passed. Such a resolution is meaningless when the Board have actually decided, at the same meeting, to appoint Mr. O'Brien to officiate as Manager and clearly shows that they did not realize their responsibility in the selection of the Manager, who was to be ~~indicted into~~ sworn in to the office with a warning.

Though their subsequent resolution and the explanation of Mr. O'Brien are entirely unfavourable to Mr. O'Brien and charges have been made out against him which clearly prove the undesirability of selecting him as Manager, the Board merely record the result of the enquiry with the observation "that Mr. O'Brien will realize his responsibility and conduct himself in a manner befitting his position."

As observed by the Financial Secretary, the notice proposed to be taken by the Board of Directors of the conduct of Mr. O'Brien "overlooks the sericus nature of the irregularities and acts of indiscipline committed by him." The action of the Directors has resulted in the severance from the Bank of a Manager who has contributed so much to the successful

charge, to remove him without hesitation.

The resolution of the Council may be graciously approved. The attention of the Chairman will be invited to the serious injury likely to result to an important institution by such irregular procedure. The Council, in passing the Resolution, hold that the hands of Government are now practically forced, and it would have been better for the Board to inquire into the conduct of Mr. O'Brien first, take Government into their confidence, and then resolve regarding the Managership.

Flag I

Certain petitions received from the shareholders and others in regard to the Managership, are placed in the file.

Camp Mysore,
2nd October 1925.

dd

2 OCT 1925

SGN.

Serial No.

G.E. No. C. 62 dated 3.10.1925.
To The Chairman of the Bd: of Directors
The Bank of Mysore Ltd.
In forwarding Govt: approval of the appointment of Mr. P.W. O'Brien as Manager of the Bank temporarily for a period of six months from the date of Mr. Rossi's departure.

G.E. No. C. 63 dated 3.10.25.
To The Chairman, Bd: of Directors,
The Bank of Mysore, Ltd.
Communicating the observations of Government on the appointment of Mr. P.W. O'Brien as Manager of the Bank.

D.O. No. G.E. C. 64 Dt 3-10-1925.
To The Accountant General.
Fds a copy of the G.O. appointing Mr. O'Brien as Manager of the Bank.

P.U.D.

Sir K.P. Puttanna chetty's letter, dated 1st inst. in reply to ours of the 30th ult. just received, is forthcoming.

Crank
15/10/25

Devan

Dewan's note for Council.
dated 18.10.1925

22

The following points arise out of Sir Puttanna Chetty's letter:-

(1) The information about the casting vote was gathered from the signed memorial presented by Mr. Karve of the Aryan Hosiery.

Sir Puttanna Chetty's letter itself shows that there were 9 Directors present at the meeting of the 14th August, and 4 of them were not for accepting the resignation of Mr. Rose. It will be interesting to know if the Chairman was not among the other 5 who formed the majority.

Moreover, when Mr. Rose was asked if he would continue, he "expressed himself as unwilling to accept an extension on present conditions." It is not clear whether the Board asked him as to the conditions on which he would be willing to continue, and whether those conditions were such as to make the Board impossible to accept the same. However, the expression "present conditions" was significant and it is a matter for surprise that the responsible body of Directors present failed to appreciate that significance.

Sir Puttanna Chetty says that the resignation of Mr. Rose was at once communicated to the Dewan, thereby showing, perhaps, that the Government were aware of what the Board would do. But as a matter of fact, in his letter of the 1st July, he only said: "I beg to inform you that Mr. Rose has sent in his resignation, giving 3 months' notice." It did not say anything about the Chairman's own views about accepting the resignation and what the Bank were going to do.

(2)

(3) One of the Directors themselves reported to Government that Mr. O'Brien "directly connived" at some of the recent agitations, ~~and that was communicated to the Chairman in their latest letter~~.

(4) The question about "keeping the Government in the dark" related to the conduct of Mr. O'Brien which was not specifically reported until the Bank was reminded of the same by the Financial Secretary and the Dewan.

Government practically saved the Bank from a very critical position by the Dewan's re-assuring remarks made in his speech at the Economic Conference, and as regards the relationship between the Bank and the Government, Sir Puttanna Chetty himself wrote to the Dewan in his letter of the 8th February 1924 in the following words:-

> "There are so many points of contact between the Bank and the Government of which you are the Head, that I make no apologies for claiming your attention."

Again, in his letter of the 18th February 1924 he said:-

> "The policy of the Directors is to work in the closest co-operation with the Government, as therein lines the advancement of the trade and industries of the State and the prosperity of the Bank equally with that of the State. We desire to always possess the confidence and good-will of the Government and thus secure the profitable privileges which the Imperial Bank of India and the Baroda Bank enjoy from their respective Governments."

The same sentiments he has repeated in a subsequent letter dated the 27th March 1924 (paragraph 12).

As regards the advances to the Directors, Mr. Rose supported Sir Puttanna Chetty strongly, and in his D.O. letter of the 11th April 1925 the Chairman wrote to the Dewan as follows:-

> "The recent press campaign is due to personal animosities against some of the Directors. But the public confidence remains unshaken, as reflected in the Bank's Fixed Deposits which have remained steady."

Sir Puttanna Chetty, again, asked the Dewan, in his letter of the 20th April 1925, to issue a Press Communique on the subject, thereby depending upon Government for getting out

out of the trouble that was caused by this unjust campaign against some of the Directors. A discussion took place in April, after this letter was received, between the Dewan and the Chairman, in the course of which it was pointed out that the Government could not issue a press communique and thereby make themselves directly associated with the Bank affairs, and that it was for the Bank to satisfy the public that its affairs were in a satisfactory condition, and that any artificial support of Government to an institution like this would only ultimately injure its interests. Sir Puttanna Chetty wanted Government to disabuse the public mind of the false impressions that were created, but at that time, did not himself, as Chairman, take any drastic action against the agitation in which Mr. O'Brien was certainly concerned. It was upon the advice of Government that the Board of Directors ~~sought~~ sat and discussed the question of advances and recorded certain resolutions in regard to the limit to be fixed in the case of Directors' advances. Later, the Chairman wrote urgently, on the 1st of June, to the Dewan asking for advice in regard to the attempts of the shareholders to appoint a Committee to go into the Bank's affairs. Again, in his letter of the 1st August 1925, Sir Puttanna Chetty wrote as follows on the audit of the Bank's accounts for the half-year ending 30th June 1925:-

> "It will be seen that the advances made by the Bank are well secured and that the debts considered bad or doubtful are estimated at Rs. 37,754, after writing off some of the debts from profits earned. The Directors have, after declaring a dividend of 12 per cent per annum, carried forward Rs. 103,402 to the current half-year, of which Rs.50,000 has been ear-marked for bad debts. I would invite your special attention to Messrs. Fraser and Ross' personal letter to me, of 27th June last, from which you will observe what they think of the stability of the Bank. They have in effect endorsed your statement made at the recent meeting of the Economic Conference, that the Bank is conducted on prudent and cautious lines."

After all this, it was clearly the duty of the Chairman to support Mr. Rose, whose administration was sought to be discredited in the public press.

On

On the 17th August, Sir Puttanna Chetty wrote to the Dewan vaguely as follows:-

> "The Board has accepted Mr. Rose's resignation and sanctioned the consequential arrangements, subject to the approval of Government for which application will be made in due course."

This, apparently, should not be considered as a formal letter and the application itself was not received until it was called for by Government.

In regard to the statement that "The Board did not receive any hint or suggestion from Government regarding their attitude", the Dewan did give an indication that in the interests of the Bank, it was not desirable to put Mr. O'Brien in charge and there was another discussion in Mysore, at which Mr. Chandy was present, and the same view was expressed in stronger language.

In conclusion, the whole position, as indicated in the communication now received, raises controversial issues, and Government cannot agree with the plea now put forward that the Bank is quite an autonomous institution, the previous history of the Bank being quite opposed to any such presumption.

A firm reply has now to be sent.

The matter may be considered in Council.

Thos Hsey.

1812

C 170-25-26

Chief Secy with compts

Rec'd 19.12.25

1912

19/12/25

21 10/25

C.170

SUBJECT:- 7

Managership of the Mysore Bank, Ltd. ~~Continuance of subscription to the Mysore Economic Journal.~~

OPINION OF THE COUNCIL.

Serial No

I have suggested a few alterations.
Dewan
Mudr 26.10.25

may be issued
to superintendent
the Hazaribagh
& ~~sent~~ issued
to Collectors of
Y
M. D

X

Reference:- Dewan's order[x] dated 24th October 1925: "A D.S.N. is also necessary".

D.F.A.

D.F.A II

A fair draft of the reply[x] to the Chairman of the Board of Directors and a D.S.N.[x] are put up.

DEWAN.)

Mudr 27.10.25

This is an important matter; and in accordance with the instructions contained in the memorandum issued by the Dewan for the despatch of work of this nature, I would ask the Finance Secretary ~~Sahib~~ Sens the papers for his approval of the Dewan's action.

Dewan

28/10/25

Mudr 28/10/25

NOTE—Contn. Sheet

Submitted to His Highness.

With the approval of His Highness, the sanction of Government was communicated to the appointment of Mr.O'Brien as Manager of the Bank of Mysore temporarily for a period of six months and a separate communication was addressed to the Chairman of the Board of Directors in regard to the points brought to notice in the Submission Note dated 2nd October 1925.

The Chairman's reply dated 15th October 1925 to our letter is herewith submitted. In it, he takes exception to some of the remarks made in our communication. His letter was considered in Council on the 22nd October 1925 and it was proposed to send a reply pointing out how the action of the Bank forced the hands of Government in regard to the appointment of Manager.

The attitude taken up by the Bank is not reasonable and the position is explained in the draft reply herewith submitted. The Board accepted Mr.Rose's resignation and decided upon appointing Mr.O'Brien as Manager on the 14th August 1925 before investigating into the charges made by the former against the latter. Apparently, the Board did not realise at this time the serious nature of the charges. When the charges were actually framed, it was found necessary to enquire into them after obtaining the explanations of Mr.O'Brien. In view of the nature of the charges and the unsatisfactory character of the explanations offered by Mr. O'Brien, the Chairman, who had been authorised by the Board on the 14th August 1925 to take suitable notice of the conduct of Mr. O'Brien without any reference to the Board, appears to have decided upon placing the whole matter again before the Board and this he did on the 18th September 1925. On this date, the Board recorded the following resolution:-

"The Board regret to observe that Mr.O'Brien's conduct towards Mr.Rose was unsatisfactory and that it was the result of strained relations between them. The Board hope that Mr.O'Brien will realise his responsibility and conduct himself in a manner befitting his position."

In the natural course of events, the Board should have first enquired into the charges against Mr.O'Brien and then taken up the question of filling the place of Manager. They, however, reversed the natural order by resolving upon appointing him to the post and then enquiring into his conduct.

The result of the procedure adopted by the Board was that though they decided to appoint Mr.O'Brien as Manager on the 14th August 1925, they could not approach Government for approval of his appointment until the 18th September 1925 as in the interval the question relating to the enquiry into his conduct was under consideration. The Bank's letter asking for Government's approval to Mr.O'Brien's appointment reached Government only on the 24th September 1925 and Mr.Rose had to be relieved on the 30th of the same month. It cannot be denied that Government were not given reasonable time by the Bank for considering the important proposal in regard to the appointment of its Manager.

In the situation created by the Bank, there was no alternative left to Government but to approve of their nominee as any other action would have left the Bank with no Manager at all.

The reply sent to the Bank in reply to their letter is herewith submitted for the gracious perusal of His Highness.

Bangalore,
8th November 1925.
EWU.

8 NOV 1925

CONFIDENTIAL

Record of Cases submitted for the Orders of His Highness the Maharaja.

Subject.

Papers on the subject of appointment of Mr. O'Brien as Manager of the Bank of Mysore, Bangalore.

343
13.11.25

Order.

~~KRW~~
11/11/25

Flowery
CJ
11 NOV 1925
(4.11.25)

Serial No

Rc: 2687 Dt 16.11.25.

To The Chairman, The Board of Directors of the Bank of Mysore Ltd.

—

Letter Dated 17th Decr: 925.

From The Chairman, Bd: of Drs., Bank of Mysore.

—

For perusal.

I shall note on this letter and put up reference in due Course.

(Sd.) M.N.K.

Dwan.). 17.12.25.

Yes; if you want my D.O. file, it may be sent for through P.S.D.

(Sd.) A.R.B.

18.12.25.

The D.O. file may be sent for reference.

(Sd.) M.N.K.

P.S.D.) 19.12.25.

The File is sent herewith.

(Sd.) G.S.

19.12.25.

Fl: Secy.)

Serial No

P.U.D.

R.

P.U.D.P.I.

Q

The points raised in Sir Puttanna Chetty's letter of the 17th instant are considered below in the order of the paragraphs of that letter.

Para 3.- He now states that his letter of the 15th October was issued with the full concurrence of the Board as recorded in their resolution of the same date and communicates a copy of the resolution. He might have given Government this information in his letter of the 15th October 1925 and saved them from having to make the observation contained in para 2 of letter dated 16th November 1925.

Para 4.- An assertion is made in this para to say that every opportunity was given to Government to approve of Mr. O'Brien's appointment or not. This contention is untenable as will be clear from an examination of the subsequent paragraphs of the letter under disposal.

Para 5.- The Chairman states that when he intimated demi-officially to the Dewan on the 1st July the fact of Mr. Rose's resignation, "it was with a view to enable Government to give such advice as they might think necessary" and he add that "he was not then in a position to communicate any decision or opinion of the Board as to the acceptance of the resignation or the future arrangements." These are contradictory ~~xxxxx~~ statements. If he was not in a position to communicate any decision or opinion of the Board either as to the resignation of Mr. Rose or the

appointment

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appointment of his successor, how could he expect Government to give any advice? Government could only give advice on a concrete proposal placed before them and not on matters on which the Board themselves have not made up their mind.

Q. p. 2

Para 6.- In para 5 of our letter, we observed that there was nothing to show whether Mr. Rose was asked as to what were the conditions on which he was willing to continue as Manager. The Chairman now states that all that took place at the meeting and the details of the conversation could not find a place in the resolution of the Board and that Mr. Rose's conditions for continuing to serve the Bank until the next general meeting "were quite unacceptable". The Board cannot deny that the conditions — whatever they were — which Mr. Rose imposed and which they considered as quite unacceptable, were certainly material for Government for forming their opinion as to whether Mr. Rose's continuance as Manager was or was not desirable, and yet this material information was with-held from Government, When copies of the resolutions were sent demi-officially to the Dewan on the 17th August and also when they were officially sent to Government on the 18th September along with the application for the approval of Government to Mr. O'Brien's appointment. If the resolution could not contain this material information, the Chairman ought to have given it in his D.O. letter dated 17th August to the

D. linked file
C linked file
E.

C

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the Dewan if it was his intention to take Government into confidence. But there is not a word about this matter in that letter. All that was stated in it was that the Board has accepted Mr. Rose's resignation and sanctioned ~~xxx~~ the consequential arrangements subject to the approval of Government for which application will be made in due course."

The Chairman states that it serves no useful purpose to divulge the information now but if Government wish to know them, the Board would have no hesitation in furnishing it. The information would have been of value if it had been furnished in time and we have now no use for it.

Q pp. 203

Para 7.- In paras 6, 7 and 8 of our letter we observed that the Board was premature in appointing Mr. O'Brien as Manager on 14th August when the irregularities committed by him had not been enquired into. The Chairman winds up this para by saying that the resolution of the Board passed on the 14th August cannot be considered premature; but he makes a number of statements in the same para to prove that it was premature. The following are such statements: (underlining of some of the expressions is by me.)

> "To enable a satisfactory enquiry being made the Chairman asked Mr. Rose to reduce his allegations to writing."

If the irregularities were such as to require being reduced to writing and also a satisfactory enquiry, it could hardly be contended that

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that it was right to have promoted an officer whose conduct was under investigation before the result of the investigation was known.

> "The whole correspondence was placed before the Board on the 18th September and a <u>final</u> resolution was recorded.

If the resolution of the 18th September was the final one, that of the 14th August was certainly a premature one.

> "This (18th September) was the <u>earliest date on which it was possible to make an application to Government</u>."

If the 18th September was the earliest date on which the sanction of Government could be applied for, the Chairman could hardly contend that his D.O. letter of the 17th August 1925 to the Dewan was a communication on which Government could have taken any action. It must also be remembered that this D.O. letter simply gave cover to the resolutions of the Board and with-held from Government the material information in regard to the conditions for continuing in service which Mr. Rose is stated to have imposed and which the Board considered as quite unacceptable.

> "It was considered desirable that the <u>Board's final recommendation should be deferred until after considering the allegations made by Mr. Rose against Mr.O'Brien in writing</u>."

If the Board considered that its final recommendation should be deferred until after considering the allegations against Mr. O'Brien, it is impossible to imagine how it could possibly contend

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contend that its resolution of the 14th August appointing Mr. O'Brien was anything but prematur

> "The Board were of the deliberate opinion that the irregularities did not merit any more serious notice than what was contained in the resolution dated 18th September."

That the irregularities did not merit any more serious notice than what was contained in the resolution of the 18th September — whether this view was right or wrong is immaterial for this purpose — was ascertained only on the 18th September and the appointment of Mr. O'Brien as Manager made in the resolution of the 14th Augus 1925 before the result of the enquiry was known, was obviously premature. "The first resolution of the Board on 14th August which was subsequently confirmed could not be considered premature." Any resolution which required subsequent confirmation can be nothing more than a premature decision.

Para 8.- Here, the Chairman apparently realises that the resolutions of the 14th August were true premature and that Government could not possibly have acted on them. He, therefore, frankly admits that "the Board were not in a position to make an application earlier than 18th September" but makes the convenient assertion that "there was an interval of 12 days to communicate the views of Government". Sir Puttanna Chetty, of all persons, should know that for the consideration and disposal of important matters, Government

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Government with their elaborate organization according to the constitution, requires adequate time. As a matter of fact, his application of the 18th September reached me only on the 24th idem and Mr. Rose had to be relieved on the 30th idem. The time allowed to Government was less than a week and it is difficult to understand how the Chairman thought that this period was sufficient for the consideration of this important matter by all the authorities of Government and for communicating their views to the Bank in time.

Para 9.- The Chairman challenges our statement that the Bank of Mysore is not an ordinary autonomous joint-stock institution. The Bank is certainly an institution governed by the Companies Regulation, but, in view of its aims and objects, it has agreed to have its powers restricted in some respects. The Bank has received substantial financial aid from Government it continues to work as the Bankers of Government; it has placed at its disposal, for purposes of trade and commerce, the funds of Government; and, it has been permitted to exercise certain functions of the Public Debt Office. In view of these and other considerations, it has agreed to the restrictions imposed by the eight conditions specified in para 6 of the Government order dated 10th July 1923. An ordinary joint-stock bank working under the Companies Regulation is not bound by such conditions and a bank which

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which is bound by such conditions cannot be an ordinary joint-stock institution. This is an obvious fact and there is no reason why the Board should feel surprised at our statement that the Bank is not an ordinary autonomous joint-stock institution.

The Chairman states that the fact that Government have reserved power to give advice to the Bank "does not mean that the Bank is to be treated as a subsordinate department of Government and that it is bound to act up to the orders of Government." There is absolutely no occasion for this observation. Government perfectly realise that the Bank is an institution independent of them and that they have never treated it as a subordinate department of Government. As for acting up to the orders of Government, the Bank has to conform to such orders if they relate to the powers which are reserved to Government. The Bank can have all the independence of an ~~ordri~~ ordinary joint-stock institution if it forgets its past obligation to Government, does not want its present relations with Government to be maintained, and does not desire to work in association with Government in the interests of trade, industries and commerce of the State. ~~But~~ The Chairman states that the Board does not retract from the position under which the Bank is under an obligation ~~to~~ to respect the conditions imposed by its relations with Government. The

Bank

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Bank cannot claim to be simultaneously an independent joint-stock institution and also a bank with intimate relations with Government.

Para 10.- What is contained in this para is apparently considered as a sufficient reply by the Chairman to the observations made in paras 13, and 14 of our letter. There is not a word in the present reply in justification of the former view of the Bank that the Deputy who defied his Chief and was also guilty of acts of indiscipline and of other irregularities deserve to be promoted to the position of the Chief, instead of being brought to book. As regards keeping Government in the dark in regard to the charges against Mr. O'Brien, Sir Puttanna Chetty states that "the allegations against him were first referred to in the minutes of the Board's meeting on the 14th August 1925, a copy of which was sent to the Dewan on the 17th August 1925, i.e., one month and fourteen days before Mr. Rose's term would expire, whereas the call from Government was made for the same on the 3rd September". The resolution of which a copy was sent on the 17th August, referred in these terms to the point now under consideration:

> "The Board resolve further that the Chairman be requested to take suitable notice of the conduct of Mr. P.W.O'brien on certain matters reported by the Manager at the Board meeting today."

It is not ~~reaen~~ reasonable to contend that a mere allusion to certain matters was a sufficien report

Note—Contn. Sheet

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report on the subject to Government who had to decide whether Mr. Rose or Mr. O'Brien was blame worthy and whether, either or neither, was a fit person to be the Manager of the Bank. In our letter dated 3rd September 1925, we specifically asked for the submission of full particulars of charges made by Mr. Rose against Mr. O'Brien together with a report of the notice which the authorities of the Bank took of them. It is doubtful, considering the trend of the Bank's co-respondence which did not take Government fully into confidence until the application of the 18t September was made, whether without a call from Government, the full report on the irregularitie of Mr. O'Brien and the result of the investigation into them would have been made to Government at all.

There is one more relavant point to which attention might be invited. In his D.O. letter of the 17th August 1925 to the Dewan, Sir Puttan na Chetty offered to see the Dewan "at an early dat date". On the 5th September 1925, the Dewan had to remind him and ask him to come and see the Dewan "any morning between 9.30 and 10.30 that will suit your convenience <u>in connection with the question of the appointment of a Manager to the Bank</u>." On the 7th September, the Chairman replied as follows:-

> "I shall certainly come and see you which I had intended to do. Mr. Rose has just sent me a list of Mr. O'Brien's"ir-regularities"which I have called upon the

Serial No

latter to explain. I would prefer seeing you after the receipt of Mr.O'Brien's reply which I have asked him to expedite. It will facilitate the discussion of the subject.

This letter shows what view Sir Puttanna Chetty himself took of Mr. O'Brien's irregularities. If, as he contends, he thought that the irregularities and their investigation were matters o no consequences and did not or could not affect Mr. O'Brien's appointment as Manager, it is difficult to understand why he did not go to see the Dewan but preferred seeing him until after the investigation was completed. On the 20th September, the Dewan had again to remind the Chairman to expedite the explanation of Mr. O'Brien on the alleged irregularities brought t notice by Mr. Rose. On the 21st, Sir Puttanna Chetty wrote to say that he would see the Dewan and it was only on the 25th idem that he actually saw the Dewan.

Para 11.- Here, the Chairman states tha the remarks made by Government are "on insufficient appreciation of facts". The above examination of the reply of the Board shows that it is the Board which did not properly appreciate facts and failed to place in time before Government the material necessary to enable them to advice the Bank about the choice of an expert for the place of Manager.

The Chairman wants Government to modify their opinions as expressed in our two letters dated

K + Q

Serial No

DEWAN'S OFFICE.
Rec'd on 26. DEC. 1925.
Reg. No. 4743.

dated 3rd October and 16th November 1925 and absolve the Board from the serious imputations cast upon them. Our views that the Bank did not take Government into full confidence until the ~~18th~~ 24th September 1925 and that the result of its action was to hustle Government about the appoi-ment of Manager, are indisputably established and there is accordingly no occasion for modifying them.

I put up a draft reply.

The file of D.O. letters is ~~xxx~~ herewith returned.

D E W A N.)

23.12.25

Draft approved by Dewan
P.D.
P S D 26/12/25.

26-12-25

Fl. 1369
3.9.1925.

Confidential.

To C.2 119-25-3

The Manager,
The Bank of Mysore, Ltd.,
Bangalore.

Sir,

Government understand that Mr. W.C. Rose has tendered his resignation of the appointment of Manager and that it is under the contemplation of the authorities of the Bank to appoint his successor. No formal report in the matter or official application regarding the contemplated arrangements has so far been received by Government. I am, in these circumstances, to request that the proposals of the Bank ~~for filling up~~ regarding the place of the Manager may be submitted for the consideration of Government with the least possible delay.

I am also to request the submission of full particulars of all the charges made by Mr. Rose against Mr. O'brien, the Deputy Manager, together with a report of the notice which the authorities of the Bank have taken of them.

I have etc.,

3/9/25

Financial Secretary to G.

ಸಿ ಸಂ 119-25-4

The Bank of Mysore Ltd.

TELEGRAPHIC ADDRESS:-
"MYSOREBANK."
CODE - 5TH EDITION A.B.C.

All communications to be addressed
TO THE MANAGER.

Bangalore, 18th Septr. '25.

No.....

CONFIDENTIAL.

Rajakaryaprasakta
Dewan Bahadur M. N. Krishna Rao, Esq., B.A.,
Financial Secretary to the Government of
His Highness the Maharaja of Mysore, Mysore.

Sir,

I have the honour to acknowledge the receipt of your letter No.1369 of the 3rd instant to the address of the Manager, Bank of Mysore.

I now beg to report formally for the information of Government that Mr. W. C. Rose has resigned his appointment as Manager with effect from 1st October 1925, that the resignation has been accepted and that the Board contemplate appointing Mr. P. W. O'Brien, Dy. Manager to officiate as Manager, subject to the approval of Government. Mr. O'Brien's extended term of office expires on the 26th May 1927. A copy of the Board's Resolution is enclosed for the information of Government.

2. As desired in para 2 of your letter, I am sending herewith copies of the papers connected with Mr. O'Brien's irregularities together with a copy of the

Board's resolution on the subject.

I remain,

Sir,

Your most obedient servant,

CHAIRMAN,
Board of Directors.

Enclosures 3

Extract from the Minutes of the Board Meeting of the Directors of the Bank of Mysore, Ltd., held at 4 p.m. on Friday the 14th August 1925.

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x x x x

1. Read Mr. W. C. Rose's letter dated 30th June 1925 submitting his resignation of his appointment in the Bank with effect from the 30th September 1925.

Resolved. The Board accept with regret the resignation of Mr. W. C. Rose with effect from 30th September 1925, - Messrs. B. K. Garudachar, M. L. Vardhamaniah, M. Hariyanna and O. Channabasappa dissenting and wishing to retain Mr. Rose until the next General Meeting of Shareholders.

Note. Mr. Rose on being asked by the Board expressed himself as unwilling to accept an extension on present conditions.

2. The Board resolve to appoint Mr. P. W. O'Brien as Officiating Manager, subject to the approval of the Government of Mysore, from the date of Mr. Rose's departure on a salary of Rs.1,400/- until he reaches Rs.1,500/- in terms of his agreement dated 30th May 1924. He will occupy the free-quarters in Bank premises. The post of Deputy Manager need not be filled up.

3. The Board resolve further that the Chairman be requested to take suitable notice of the conduct of Mr. P. W. O'Brien on certain matters reported by the

M. P. ... Brien on certain matters reported by the

be requested to take suitable notice of the conduct of

3. The Board resolve further that the Chairman

Manager need not be filled up.

by the Head-Masters in Bank premises. The post of Deputy

tenure of his appointment dated 30th July 1924. He will accom-

on a salary of Rs.1,400/- until he reaches Rs.1,800/- in

Government of Mysore, from the date of H.E. Mase's departure

on Afficiating Manager subject to the approval of the

on Present conditions.

3. The Board resolve to appoint Mr. P. V. O'Brien

appointed himself to assisting to accept an extension

Cash. Mr. Rose on behalf noted by the Board

General Meeting of Shareholders.

continue and circular to Mysore, Mr. Rose must stay

Secretary, M. ... Secretary, M. C. Chairman, M. C.

M. ... Secretary of ... Mr. ... Chairman Mr. ... Stay

Mr. ... Mr. ... Mr. ... Mr. ... Mr. ... Mr. ...

Mr. ... Mr. ... Mr. ... Mr. ... Mr. ... Mr. ...

Mr. ... Mr. ... Mr. ... Mr. ... Mr. ... Mr. ...

Manager at the Board Meeting to-day.

4. The Board resolve to give a farewell entertainment to Mr. Rose on the termination of his connection with the Bank.

'Extract'

CHAIRMAN.

Extract of the Proceedings of the Meeting of the Board of Directors held on Friday the 18th September 1925.

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x x x x

No.4. The Board have perused the following papers:-

(1) Mr. Rose's Memo dated 14th August 1925 reporting certain irregularities on the part of Mr. P. W. O'Brien, Deputy Manager.

(2) Mr. O'Brien's explanation dated 7th September 1925.

(3) Mr. Rose's letter of 14th September 1925 making certain observations.

The Board regret to observe that Mr. O'Brien's conduct towards Mr. Rose was unsatisfactory and that it was the result of strained relations between them. The Board hope that Mr. O'Brien will realize his responsibility and conduct himself in a manner befitting his position.

Mr. O'Brien will refund the excess amount drawn by him for his trip to Mysore, calculated at the rates sanctioned in the Agreement between him and the Bank.

Copy of this Resolution will be communicated to Mr. Rose and Mr. O'Brien.

x x x x

'Extract'

CHAIRMAN.

Encl 3

Manager's statement about Deputy Manager's conduct towards him.

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1. On the 13th December 1924, the Deputy Manager wrote for leave of absence direct to the Chairman, without submitting his application through the Manager. This irregularity was brought to the attention of the Chairman, who requested the Deputy Manager to address such communications in future through the Manager.

Deputy Manager's explanation:-

The Chairman pointed out to me that such communications should in future be sent through the Manager. I have not again addressed the Chairman direct. In sending my application to avail myself of the Christmas holidays direct to the Chairman I had no intention of going behind the Manager whom I would have subsequently approached if the Chairman had granted my request. I was under the impression that it was first necessary to obtain the Chairman's sanction.

Manager's remarks:-

I mentioned this incident to show what the Deputy Manager's behaviour was towards me so soon after my return, in October, from furlough. His admission of ignorance of procedure is astonishing, and his explanation that he intended to subsequently approach me after receiving the sanction of the Chairman to his request is equivocatory. Did he then intend to show me that my refusal would be a matter of indifference to him, and also that I was not to be approached in future for such leave applications?

Manager's statement about Deputy Manager's conduct towards him.

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Deputy Manager's explanation:-

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Manager's remarks:-

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The latter procedure has undoubtedly been his subsequent course of conduct. Did he apply to the Chairman for leave when he went to the West Coast for the Xmas holidays in 1922?

ঈশ্বরচন্দ্রের এই ব্যঙ্গ কবিতা সম্বন্ধে মন্তব্য করিতে গিয়া ব্রজেন্দ্রনাথ

বন্দ্যোপাধ্যায় ও সজনীকান্ত দাস সম্পাদিত 'সংবাদ প্রভাকর' গ্রন্থের

ভূমিকায় লিখিয়াছেন : "ঈশ্বরচন্দ্র এই ব্যঙ্গ কবিতায় যে গুরু

ভারটি বহন করিয়াছেন তাহা তাঁহার পক্ষে অত্যন্ত গুরুভার হইয়া

উঠিয়াছিল। তিনি যে ইহার পর আর কখনও এরূপ কবিতা লিখেন

নাই, তাহার কারণ বোধ হয় ইহাই।"

Manager's statement about Deputy Manager's conduct towards him.

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2. Absent from office on the 2nd March 1925, without intimating the Manager. On the next day, Mrs. O'Brien wrote that her husband would be unable to come to the Bank for a day of two, and sent the keys of the Safe direct to the Accountant. The absence extended to the 9th idem, and no personal explanation was given by the Deputy Manager on his return to duty.

Deputy Manager's explanation:-

I was ill with influenza and had been for some days before I remained away from the Bank. I had thought my wife had informed the Manager the first day I was absent. The keys were given to the Accountant as was customary whenever I was absent for any reason. If on my return to duty the Manager had sent for me and pointed out that I was at fault then I would have known what course to adopt should a subsequent occasion arise.

Manager's remarks:-

I cannot conceive a wife failing to write to the Chief Officer of the concern in which her husband is working immediately she was requested by her husband to explain the reason for his absence. It is a generally recognised obligation on the part of an officer to see his superior officer on his return to duty, and to explain his absence. It is not customary for the Manager or the Dy. Manager to make over the keys of the Safe to the Accountant without sanction.

the Zero to the Vocabulary Tuition Commission.

for the Treasurer of the Mr. [illegible] to pay the sum of ten pounds, and to charge his Bank Account with the same for his expenses. If so no objection will be made by the Secretary to the Committee sending a Cheque for the amount.

I remain

Yours faithfully,

Secretary to the Committee.

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2. Upon this Order being signed by the 2nd Doctor 1029, payment will be made by the Treasurer to the Secretary of the Committee for the purpose mentioned.

Secretary to the Committee.

Manager's statement about Doputy Manager's conduct towards him.

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8. His selling Government Securities in excess of the authorized limit, well knowing that his power to sell such securities was limited.

Deputy Manager's explanation:-

For the past 4 years I have purchased and sold Mysore Government Securities with the knowledge of the Manager but without referring any particular transaction to him. On the occasion referred to I sold Mysore Government Securities at the rate at which sales were being effected at that time. The transaction was quite straightforward.

At the end of last year a Memo was drawn up defining my duties as Deputy Manager in which inter alia my powers to buy or sell Mysore Government Securities were limited to Rs.10,000/- at a time. This was discussed at a Board Meeting but as at the following meeting when the minutes were read out for confirmation this matter was not mentioned I thought it had not been given effect to or was in abeyance. I was confirmed in this belief by the fact that the Manager has not shown me any confidential correspondence between the Bank and the Government, other Banks, our Branches, Brokers, or Auditors in fact no confidential correspondence of any kind,- which was contrary to the Memorandum referred to.

Manager's remarks:-

The Deputy Manager's powers as to sale of Government Securities were definitely drawn up by the Board at the

Manager's statement about Deputy Manager's conduct towards him.

---

8. His selling Government Securities in excess of two lakhs limit, well knowing that his power to sell such securities was limited.

Deputy Manager's explanation:-

For the past 4 years I have purchased and sold Mysore Government Securities with the knowledge of the Manager but without referring any particular transaction to him. On the occasion referred to I sold Mysore Government Securities at the rate at which sales were being effected at that time. The transaction was quite straightforward.

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Manager's remarks:-

The Deputy Manager's powers as to sale of Government Securities were definitely drawn up at the time at their

meeting on the 12th December 1924 when the Chairman's proposals were read out by himself and approved. These proposals were again read out by Mr. Garudachar and confirmed at the Board's subsequent meeting on the 23rd January 1925 and at both of these meetings the Deputy Manager was present. I have a recollection of sending a typed copy of these proposals to the Deputy Manager after filing the original in the Board's Minute Book. Anyhow, it is open to the Deputy Manager to see the Minute Book of the Board's proceedings. He is also aware where all confidential correspondence is kept, and which could be perused at any time.

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Manager's statement about Deputy Manager's conduct towards him.

4. On the 15th April 1925 a forged cheque was presented and Mysore Branch advised to make payment, and though the signature on the cheque was subsequently discovered to have been forged, and all correspondence in this connection was carried on by the Deputy Manager, the circumstances were not brought to the notice of the Manager.

Deputy Manager's explanation:-

Late one evening in April Mr. Rego, the Passing Officer, called at my house and explained that a forged cheque presented at Mysore Branch and sent by them for payment had been passed by him but after the advice of payment had been passed by him despatched to Mysore he discovered his mistake. I think Mr. Rose was not in his quarters when Mr. Rego called. I immediately went to the telegraph office and sent a wire to Mysore Branch to with-hold payment and the following day wrote a confirmatory letter. I did not think the matter was of sufficient importance to draw the Manager's attention to it but if he had called for me when it came to his notice and explained that he wished all such matters submitted to him I should have been glad to do so.

Manager's remarks:-

Here the Deputy Manager's presumption in constituting himself the sole authority to decide whether an attempt to defraud the Bank should be brought to the attention of the Manager is exemplified. I may state that Venkata Rao's falsification of accounts etc., began through the negligence

justification of economics etc." Does anyone the petitioner
mention it specifically. I can state that Messrs Mc.
Kenzie is examining. I have stated that Messrs Mc.
Kenzie is examining. I have stated that Messrs Mc.

Counsel's reasons:-

Here the Delhi Municipal Incorporation in constituting
myself the body authorised to decide whether or not to
refrain the Hon'ble Minister of the question of the
Municipal Engineer be brought to the notice of the
Municipal Engineer be brought to the notice of the

to do so."

Why other witnesses examined to him I should have been ready
to show it seems to me material and objected that no attempt
from the Counsel's question to it but it no use tried for
I did not either the witness and of conflicting importance to
Solomon that the petition was a counterpetition.
objectionable also and also to Hon'ble Minister to citizenship
advocates Mr. Rode replied. I immediately went to the
prosecutor his witness. I think Mr. Rode was not in his
Solomon use been pressed in but to Hon'ble Minister to
Solomon use been pressed in but after the equal of
opening pressured of Hon'ble Minister and took it that for
Allison' point of an hour and objected that I tried
Five one counting in Vakil Mr. Rode' the Counting

Delhi Municipal objection:-

not present to the notice of the Counsel.
called on by the Delhi Municipal' the statements made
peon locked' and all possibilities in this connection was
different on the opening was unprofessionally discovered by Hon'ble
and Hon'ble Minister explained to Rode Solomon' and through the

4. On the 19th April 1938 I locked opening was pressured

...

him.
Counsel's statement about Delhi Municipal' counsel somewhere

of the Passing Officers, and this incident was a repetition of such failure of duty, and yet the Manager is to be kept in the dark because his deputy decides the matter as being of no importance, and according to the Deputy Manager it is the Manager's duty to have asked him to bring such matters to the notice of the Manager <u>after</u> detection! What if there had been no detection? Was not Venkata Rao's case a sufficient warning to him?

of the Passing Officers, and this incident was a repetition of such failure of duty, and yet the Manager is to be kept in the dark because his deputy decides the matter as being of no importance, and according to the Deputy Manager it is the Manager's duty to have asked him to bring such matters to the notice of the Manager after detection! What if there had been no detection? Has not Vonkata Rao's case a sufficient warning to him?

Manager's statement about Deputy Manager's conduct towards him.

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5. On the 30th June 1925, he authorised the debit of the Bank's Commission Account for the sum of Rs.86/- representing shortage in the Cash Balance, and again Rs.10/- on the 15th July 1925, without the Manager's sanction. Also surrendering on the 15th July 1925 a Shroff's Security Deposit of Rs.500/- when the party was indebted in loan account, specially granted him to secure the recovery of a deficiency of Rs.500/- in Cash.

Deputy Manager's explanation:-

From the explanation submitted to me by the Cashier I was satisfied that the Shroff was not at fault in the matter of Rs.100/- and consequently authorised the debit to Commission Account. The Shroff's security deposit of Rs.500/- was surrendered as there was ample security in the loan account. In dealing with this matter myself I had no intention of going behind the Manager or usurping his authority fully believing that I was doing nothing out of the normal.

Manager's remarks:-

Here too the Deputy Manager's assumed authority is exemplified. He was satisfied and therefore the Manager should not be advised of the consequent loss of the Rs.100/- to the Bank, or the surrender of the security deposit held by the Bank for the loan of Rs.500/-. In thus acting he claims to be "doing nothing out of the normal".

Manager's statement about Deputy Manager's conduct towards him.

---

5. On the 30th June 1925, he authorised the debit of the Bank's Commission Account for the sum of Rs.25/- representing shortage in the Cash Balance, and again Rs.10/- on the 15th July 1925, without the Manager's sanction. Also surrendering on the 15th July 1925 a Shroff's Security Deposit of Rs.500/- when the party was indebted in loan account, specially granted him to secure the recovery of a deficiency of Rs.500/- in Cash.

Deputy Manager's explanation:-

From the explanation submitted to me by the Cashier I was satisfied that the Shroff was not at fault in the matter of Rs.100/- and consequently authorised the debit to Commission Account. The Shroff's security deposit of Rs.500/- was surrendered as there was ample security in the loan account. In dealing with this matter myself I had no intention of going behind the Manager or usurping his authority fully believing that I was doing nothing out of the normal.

Manager's reason:-

Here too the Deputy Manager's assumed authority is exemplified. He was satisfied and therefore the Manager should not be advised of the consequent loss of the Rs.100/- to the Bank, or the surrender of the security deposit held by the Bank for the loan of Rs.250/-. In thus acting he claims to be doing nothing out of the ordinary.

Manager's statement about Deputy Manager's conduct towards him.

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6. His discounting the 90 days clean Bills of the Kaiser-i-hind Mills for Rs.20,000 and Rs.50,000 without obtaining the Manager's sanction.

Deputy Manager's explanation:-

These transactions were put through the Bills Department in the ordinary way of business. The parties on whom the Bills were drawn were quite good for the amounts. Up to date this year we have negotiated Bills drawn by the Kaiserihind Mills on their customers to the extent of Rs.2½ lakhs (including the amount of Rs.70,000 referred to) without making special reference.

The purchase of such trade bills is part of the ordinary routine work of the Bank.

Manager's remarks.

Here the explanation is an attempt to mislead the Board. The business of the Kaiser-i-hind Mills which the Bill department is expected to put through is the ~~xxxxxxxxxxxx~~ company's bills when accompanied by Railway Receipts only - thus covering our pledge of the blankets till payment is actually received by the Bank for the goods sold. The Deputy Manager is aware that the Bank's advances to those Mills are against produce and goods under pledge and also that we had pressed the drawee of the Bill for Rs.50,000/- to close his loan account on the security of the shares of the Mill. To therefore support his action by informing the Board that bills of the mills to the extent of Rs.2½ lakhs have been negotiated is a subterfuge, for with the exception of the two bills in question the remaining ones are all covered by Rail Receipts deliverable on payment only - and in the opinion

Manager's statement about Deputy Manager's conduct towards him.

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6. His discounting the 90 days clean Bills of the Kaiser-i-Hind Mills for Rs.20,000 and Rs.30,000 without obtaining the Manager's sanction.

Deputy Manager's explanation:-

These transactions were put through the Bills Department in the ordinary way of business. The parties on whom the Bills were drawn were quite good for the amounts. Up to date this year we have negotiated Bills drawn by the Kaisarihind Mills on their customers to the extent of Rs.2½ lakhs (including the amount of Rs.70,000 referred to) without making special reference.

The purchase of such trade bills is part of the ordinary routine work of the Bank.

Manager's remarks.

Here the explanation is an attempt to mislead the Board. The business of the Kaiser-i-Hind Mills which the Bill department is expected to put through is the manufacturing company's bills when accompanied by Railway Receipts only - thus covering our pledge of the blankets till payment is actually received by the Bank for the goods sold. The Deputy Manager is aware that the Bank's advances to those Mills are against produce and goods under pledge and also that no mod pressed the drawee of the Bill for Rs.30,000/- to close his loan account on the security of the shares of the Mill. To therefore support his action by informing the Board that bills of the mills to the extent of Rs.2½ lakhs have been negotiated is a subterfuge, for with the exception of the two Mills in question the remaining ones are all covered by Rail Receipts duly endorsed on payment only - and in the opinion

of the Deputy Manager the granting of clean advances to Mills, already heavily indebted to the Bank on security, is part of the ordinary routine duties of the Bank as conducted by the Bill department under his supervision, and no special reference to the Manager or the Board called for!

of the Board Director the Secretary or Trust Deed
to Director or the Director relationship Any
sequence of the Bill Committee major obligation'
to Date of the original Conflict of the Bank on
Bill' through Monthly Payment to the Bank or Account'
or the Board Director the Secretary or Trust Deed

Manager's statement about Deputy Manager's conduct towards him.

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7. Again absent from duty on the 17th July 1925, without intimating the Manager, and sending the keys of the Cash Safe direct to the Accountant. Also absent the next day, when he was written to for the keys of the Safe containing the Dewan's Securities as certain bonds were required for conversion purposes. He declined to send the keys, stating that he would personally give out the Securities on the following Monday, the 20th idem, but on which day he was still absent, and sent the keys direct to the Accountant. Yet no personal explanation on his return to duty whey he was absent for those days. The Chairman was advised of this conduct on the 20th July 1925.

Deputy Manager's explanation:-

The Manager was not aware of the Deputy Manager's I was down with a bad attack of malaria. Again I had been ill for some days before I gave in and when I could no longer attend office I sent my keys to the Accountant as heretofore. The Manager was aware of my absence and I was hoping to return from day to day.

Manager's remarks:-

The Manager was not aware of the Deputy Manager's absence till he called for the keys of the Safe in the afternoon of the 17th July '25. The Deputy Manager does not explain why he declined to send the keys of the Safe when called upon by the Manager to do so on the 18th July '25.

Manager's statement about Deputy Manager's conduct
towards him.

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7. Again absent from duty on the 17th July 1925, without intimating the Manager, and handing the keys of the Cash Safe direct to the Accountant. Also absent the next day, when no word was written to for the keys of the Safe containing the Bonus's Securities on certain bonds were required for conversion purposes. He declined to hand the keys, stating that he would personally give out the Securities on the following Monday, the 20th inst, but on which day he was still absent, and sent the keys direct to the Accountant. Yet no personal explanation on his return to duty why he was absent for those days. The Chairman was advised of this conduct on the 20th July 1925.

Deputy Manager's explanation:-

The Manager was aware of my absence and I was hoping to return from day to day.

Manager's remarks:-

The Manager was not aware of the Deputy Manager's absence till he called for the keys of the Safe in the afternoon of the 17th July '25. The Deputy Manager does not explain why he declined to hand the keys of the Safe when called upon by the Manager to do so on the 18th July '25.

Manager's statement about Deputy Manager's conduct towards him.

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8. On Sunday the 26th July 1925, the Deputy Manager wrote to the Manager that he was going to Mysore "to have a look at the Branch, and hoped to return in a few days". This intimation was only handed to the Manager by the Deputy Manager's servant the next day at 1 p.m. The Chairman was written to by the Manager the same day, asking if the Deputy Manager had consulted him in the matter, and he replied that he knew nothing about it. The Deputy Manager returned to duty on the 3rd August 1925 without mentioning the result of his inspection of the Branch, and up to the 14th August 1925 had not sent ~~ex~~ in his report. His charging for this inspection, mileage rates for motor car instead of the customary Railway allowances, without sanction.

Deputy Manager's explanation:-

I wanted to make a surprise inspection of Mysore Branch, hence took upon myself the responsibility of absenting myself from the station without informing the Manager. I left a letter with my servant which I instructed him to deliver early on Monday morning and which I now regret to know was not delivered until 1 p.m.

My Report on my inspection was submitted on August 15th. It was unavoidably delayed owing to some references I had to look up.

The rates for travelling allowances to our officials are the same as those granted to Mysore Government officials who

Manager's statement about Deputy Manager's conduct towards him.

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My Report on my inspection was submitted on August 15th.

It was unavoidably delayed owing to some references I had to look up.

The rates for travelling allowance to our officials are the same as those granted to Ilvoro Government officials who

travel either by road or train as is best suited to the needs of the service. I went by road as I had hoped to stop at Chennapatna on my way back but was prevented from doing so owing to having been held up by the delay caused by punctured tyres.

Manager's remarks.

Here again is the assumption of supreme authority by the Deputy Manager to absent himself from duty whenever he desires. His statement that the Bank's rates for travelling allowances are the same as those granted to Mysore Government Service has no bearing on his action. The Board have fixed rates for their officials and clerks, but in the case of the Deputy Manager his travelling and halting allowance is specially governed by his recent agreement (Clause 5) of which he can scarcely plead ignorance.

The clause reads as follows:-

> "That during the period that this agreement "is in force, the travelling and halting allowances "of Mr. P. U. O'Brien during tour on Bank duty be "at the rate of Rs.10/- per day and first class "Railway Fare".

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Manager's statement about Deputy Manager's conduct towards him.

---

9. His appointing last month the brother of the late Assistant Accountant to a post in the Bank without the Manager's sanction.

Deputy Manager's explanation:-

I have always appointed junior clerks in the Bank without reference to the Manager who has On no occasion questioned my authority. The young man in question was taken on trial at Rs.15/- a month.

In conclusion I should like to state that I have not at any time been actuated by the desire to usurp the powers of the Manager, rather have I wished not to worry him with matters with which I thought I was competent to deal. If he considered that I was going outside my powers or acting in any way contrary to his wishes I venture to state it was his duty to me in the interests of the Bank to call me to his room and point out wherein I was at fault.

Manager's remarks-

The Deputy Manager was aware that the Bank by reason of its present limited transactions was overstaffed, and that efforts were being made to retrench as far as possible. The reasons for the appointment of an additional hand under these circumstances ought to have been explained by to the Manager.

Manager's statement about Deputy Manager's conduct
towards him.

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G7-119-25-5

Proceedings of the Government of H.H. the Maharaja of Mysore.

R e a d:--

Correspondence ending with letter dated 18th September 1925 from the Chairman, Board of Directors of the Bank of Mysore Ltd., reporting that Mr. W.C. Rose has resigned his appointment as Manager with effect from 1st October 1925 that the resignation has been accepted and that the Board contemplate appointing Mr. P.W.O'Brien Deputy Manager to Officiate as Manager Subject to the approval of Government from the date of Mr. Rose's departure on a salary of Rs.1400 until he reaches Rs.1500 in terms of his agreement dated the 30th May 1924 with free quarters in the Bank premises.

O r d e r No. [illegible]

Dated, [illegible]

Government are pleased to approve of the appointment of Mr.P.W.O'Brien, Deputy Manager of the Bank of Mysore as Manager of the Bank temporarily for a period of six months from the date of Mr. Rose's departure on the terms proposed. Government reserve to themselves the power to decide as to the most suitable arrangements that should be made regarding the Managership in the interests of the Bank at the end of that period. A quarterly report should be submitted to Government as to the position of the Bank and the manner in

which Mr.O'Brien has been able to discharge the duties of Manager.

Financial Secy. to Govt.

To The Chairman
Board of Directors
the Bank of Ireland

Copy sent to complete with a
D.D. cover

Strictly Confidential

Ce·2 119-25-6

To

The Chairman,

Board of Directors of the

Bank of Mysore Ltd.,

Bangalore.

No. C. 63/Exec. Conf.
Govt. of Mysore 3-10-25

Sir,

In forwarding herewith the orders of Government, approving as a temporary measure of the appointment of Mr.O'Brien as Manager of the Mysore Bank for a period of six months, I am directed to observe as follows:-

Mr.W.C.Rose, the Manager of the Bank of Mysore, submitted on ~~x~~ 30th June 1925 his resignation of his appointment in the Bank with effect from the 30th September 1925.

The Board decided to accept this resignation on the 14th August 1925, by the casting vote of the Chairman, and resolved to appoint Mr.P.W. O'Brien as Offg.Manager, subject to the approval of the Government from the date of Mr.Rose's departure on certain terms.

As Mr.Rose had made certain charges against Mr.O'Brien, the Board also resolved that the Chairman be requested to take suitable notice of the conduct of Mr.O'Brien.

These resolutions of the Board were not communicated to Government officially.

I believe this is correct.

On the 3rd September 1925 a report was called for by Government in the matter as to whether Mr.Rose had - - resigned and the Bank was requested to send up their proposals without delay and also

This is correct. The resolutions were not communicated officially until 18.9.25 and the Board's letter of this date was only in reply to Govt's of 3.9.25 Manek 3/10/25

a report as to the charges made by Mr. Rose against Mr.O'Brien.

It was only on the 18th September that the Chairman of the Bank sent the previous resolutions of the Board to Government in regard to the resignation of Mr.Rose and the appointment of Mr. O'Brien to officiate as Manager and a subsequent resolution in regard to the conduct of Mr.O'Brien.

Government observe that the procedure adopted by the Board in dealing with this important matter is open to grave objection. Under the Agreement made by the Bank with the Government, the appointment of the Manager and the Deputy Manager both require the previous approval of the Government, but no official communication of the proposed changes was received till the 18th September. Moreover, when certain specific charges were made against Mr.O'Brien by Mr.Rose the Directors did not investigate them but merely authorised the Chairman to take suitable notice of the conduct of Mr.O'Brien. This was after the resolution appointing Mr.O'Brien as Manager was passed. It clearly shows that the Board could not have realised their responsibility in the selection of the Manager when they proposed to appoint Mr O'Brien to such an important office with a warning.

Though their subsequent resolution ~~and the explanation of Mr.O'Brien are~~ is entirely unfavourable to Mr.O'Brien and charges have been made out against him

which clearly prove the undesirability of selecting him as Manager, the Board merely record the result of the enquiry with the observation "that Mr.O'Brien will realise his responsibility and conduct himself in a manner befitting his position".

Government consider that the notice proposed to be taken by the Board of Directors of the conduct of Mr.O'Brien overlooks the serious nature of the irregularities and acts of indiscipline committed by him. The Board is aware that the Bank has recently passed through a serious crisis partly due to the ~~irrelevent~~ virulent campaign of opposition carried on by certain discontented shareholders and Government have reason to believe that some of this agitation was ~~enquired~~ engineered with the direct connivance of Mr.O'Brien who apparently was led away by the temptation of the Manager's post to bring discredit on Mr.Rose's management. The Board should therefore have ~~excused~~ exercised the utmost circumspection in the choice of a new Manager if in their opinion the interests of the Bank required that Mr. Rose's services should be terminated. As a result of the methods adopted, the Manager who has contributed so much to the successful working of the Bank from its inception, has been compelled to sever his connection ~~of~~ with the Bank and Government have been practically forced to appoint as Manager, Mr.O'Brien whose conduct has been condemned by the Directors themselves ~~and who has been doing his bes~~

appear of the

to supplant Mr. Rose.

If the Board were acting in the best interests of the Bank, they should have had no hesitation, if they did not consider the further retention of Mr.Rose desirable, in approaching Government to assist them in securing another Manager with the necessary qualifications, nor would they have kept the Government in the dark about the proposed action until it was too late for them effectively to interfere.

Government regret very much that the manner in which the case has been handled has practically forced the hands of Government and they cannot but point out that it would have been better for the Board to have inquired into the conduct of Mr. O'Brien first, taken Government into their confidence and then resolved regarding the Managership. In view of the charges that were framed and investigated subsequent to the date of the resolution of the Board of Directors of the 14th May the Government on the whole consider that Mr. O'Brien is not a proper person to be appointed as Manager of the Bank at this important juncture and would have had no hesitation in vetoing the appointment if the matter had been brought to the notice in time. Having regard however to the serious crises through which the Bank has recently passed Govt. are reluctant to take any action at the present stage, that might further shake the confidence of the shareholders in the Directors by vetoing the appointment.

The Government, have therefore, agreed to Mr. O'Brien's appointment as a very temporary measure. The Board have assumed a ~~xxxxxx~~ serious responsibility in acting in the manner — they have done. Government trust that they will carefully watch the situation ~~and~~ keep Government in touch and while conveying a suitable warning to Mr. O'Brien ~~be~~ see that the interests of the Bank are properly safeguarded and act firmly and promptly in case Mr. O'Brien's further connection with the Bank ~~will be~~ is found in any way prejudicial to ~~it~~. the Bank.

I have etc.,

Michael Kenny

A. McAdam

CONFIDENTIAL

D.O. No. Fl. C. 64/Eve. one

Mysore, 3rd October 1925

My dear Mr. Satyaraj Chetty,

I herewith send for your information a copy of the Government Order No. 3-10-25 approving of Mr. P.W.O'Brien's temporary appointment as Manager of the Bank of Mysore.

Yours sincerely,

(Sd.) M. N. Krishna Rau.

T. Satyaraj Chetty, Esq., B.A.,
Comptroller to the Government
Of Mysore, B A N G A L O R E.

C.F 119-25-7

The Bank of Mysore Ltd.

TELEGRAPHIC ADDRESS:-
"MYSOREBANK."
CODE - 5TH EDITION A.B.C.

All communications to be addressed
TO THE MANAGER.

15/10/25

Bangalore, 15th October '25.

No.....

CONFIDENTIAL.

Rajakaryaprasakta Dewan Bahadur
M. N. Krishna Rao, Esq., B.A.,
Financial Secretary to the Government
of His Highness the Maharaja of Mysore,
Bangalore.

Sir,

I beg to acknowledge receipt of your confidential letter No.C.63 dated 3rd October 1925 and confidential proceedings No.62 of the same date regarding the arrangements for filling the post of the Manager, Bank of Mysore.

2. The letter under advertance contains grave charges against the Board of Directors and imputes to them a course of conduct not justified by the facts of the case as I shall endeavour to show below.

3. Mr. W. C. Rose submitted his resignation on 30th June 1925. This was at once communicated to the Dewan of Mysore (Vide my letter of 1st July 1925 and his acknowledgment dated 2nd idem). Mr. Rose's letter of resignation was brought to the notice of the Board on 21st July 1925 and was recorded. The matter was discussed at

the Board Meeting on the 14th August 1925 when the resignation was accepted. Four out of the nine Directors present having expressed a wish to retain Mr. Rose until the next General Meeting of the Shareholders, Mr. Rose was sent for and asked by the Board if he would continue in his post. He, however, expressed himself as unwilling to accept an extension on present conditions and there was no other alternative but to permit him to vacate his post, Mr. O'Brien having already acted as Manager and being under a renewed agreement to serve the Bank up to May 1927.

4. Mr. Rose's resignation having been accepted by the majority of Directors (not by the casting vote of the Chairman as stated by Government) the Board discussed the question of appointing a successor. The Board after a full discussion unanimously resolved to appoint Mr. P. W. O'Brien as Officiating Manager, subject to the approval of Government. It was at this stage that Mr. Rose verbally put forward certain alleged irregularities on the part of ---- Mr. O'Brien. The Board heard both Mr. Rose and Mr. O'Brien one after the other in the matter and considered that they were of such a character as would not affect the question of Mr. O'Brien's succession to the Managership. The Board accordingly requested the Chairman to take suitable notice

of Mr. O'Brien's conduct. I communicated the Board's resolution in extenso to the Dewan on the 17th August 1925 and informed him that application would be made to Government in due course for the approval of the consequential arrangements and that I hoped to see him at an early date. This elicited an acknowledgment from the Dewan on 28th August 1925.

5. In accordance with the Board's resolution, Mr. Rose was asked to reduce to writing his allegations against Mr. O'Brien on 14th August 1925. Mr. Rose, however, delayed sending up his memorandum in the matter. I sent a reminder to him and he sent it up on 6th September 1925. I referred it immediately to Mr. O'Brien, who submitted his explanation on it on 7th September 1925. I then called for Mr. Rose's further remarks, if any, on Mr. O'Brien's explanation. These were received on the 14th September 1925. The whole matter was placed before the Board on the 18th September 1925 and after full deliberation of all the facts, the Board passed the resolution expressing their regret at ---- Mr. O'Brien's conduct. This was an unanimous resolution. The Board did not consider that there was any case made out for superseding Mr. O'Brien and cancelling the previous resolution proposing to appoint him as Officiating Manager,

subject to Government's approval. Formal application was made to Government on the 18th September 1925 on the very day the Board disposed of the allegations against Mr.O'Brien, sending copies of all the Board's resolutions and requesting Government's approval to Mr. O'Brien being appointed as Officiating Manager.

6. It will be observed from the foregoing summary of facts that the Board of Directors have acted throughout in a most constitutional manner and though not bound to do so, kept the Government fully and promptly informed of the progress of the matter from stage to stage. The Board fail to see how the procedure adopted by them is "open to grave objection" as observed by Government in the letter under reply. It was in accordance with the agreement between the Government and the Bank that the approval of Government was sought in my letter of the 18th September 1925. The proposed changes were communicated as early as 17th August 1925 to the Dewan of Mysore.

7. The charges alleged ~~km~~ by Mr. Rose orally did not impress the Board after hearing both parties then and there, one after the other. These charges ranged in date from December 1924 to July 1925. It was in Mr. Rose's power

as Manager to have taken prompt action in each case as it occurred. It was the considered opinion of the Board that there were no grounds whatever for a complete supersession of Mr.O'Brien, and it was accordingly proposed to appoint him to officiate in the post and thus give him a chance. --- Mr. O'Brien's conduct was adjudged according to standards obtaining in the commercial world. Besides, there was no moral turpitude or neglect of Bank's interests in his conduct. The Board venture to think that even if Mr. O'Brien had been an Officer of Government, the punishment that would have been meted out to him under the circumstances of the case would have been a severe reprimand and this has been administered. They have every reason to believe that the warning will have the desired effect and that Mr. O'Brien will act in future with a due sense of discipline and propriety.

8. The Board have heard with surprise that Mr. O'Brien directly connived at some of the recent agitations engineered against the Bank by certain shareholders, but they are unwilling to believe this very serious charge. The Board were in intimate touch with the affairs of the Bank and the phases of the agitation carried on by certain parties against it, but they had no reason to think that

Mr. O'Brien had any part in it.

9. It was at Mr. Rose's own desire, often repeated, that his resignation was accepted. He had already served the Bank for 12 years and was under no effective agreement of service. On the other hand, Mr. O'Brien had been brought out by Mr. Rose himself with the distinct promise of succeeding to the Managership on Mr. Rose's vacating the office, which was then considered imminent. The renewal of ---- Mr. O'Brien's agreement for a further term of three years was also due primarily to Mr. Rose's having given him such a promise in writing when he first came out.

10. If the Government were not prepared to approve the new appointment, the Board would certainly have been willing to reconsider the matter. The Board did not receive any hint or suggestion from Government regarding ~~this~~ their attitude. I may, however, say that the Board after the recent crisis in the Bank's affairs did not wish to create another sensation and shock to the public by overlooking the claims of an officer who had come out under an agreement, more especially as there were no grounds in their opinion, for such a step. Far from "keeping the Government in the dark" as alleged, the Board have taken the Government into their

(4)

confidence throughout and acquainted them with the progress of the matter. The Board are not concerned with the artificial distinction made in your letter under reply between official and demi-official communications.

11. In conclusion, the Board would enter a strong and respectful protest against the tone and language of your letter under reply and the declaration that the Government reserve to themselves the power to decide as to the most suitable arrangements for filling the Managership of the Bank at the end of six months. The personnel of the Board consists of merchants of high standing in the business world and retired Officers of the Mysore and British Governments who have served long in various capacities and are versed in the management of public institutions. The Board most strongly resent the observation of Government that they had not realized their responsibility in the selection of the Manager. They would assure Government that in nominating Mr. O'Brien they were actuated by the same motives as the Government had in not vetoing the nomination. They have every hope that the Government will, on further consideration, of the facts above set forth, be pleased to recall the letter

under reply as it casts undeserved reflections on the Board and is, moreover, inconsistent with the position of the Bank as an autonomous institution.

My own view

I have the honour to be, accepted

Sir,

Your most obedient servant,

CHAIRMAN,
BOARD OF DIRECTORS.

C.D. 119-258

CONFIDENTIAL.

~~27th Octr. 5.~~

F-2: 2290/25. 27.10.1925. F2: 2687 16-11-1925

Jsme mer 16.11.25

Rajasabhabhushana Dewan Bahadur
Sir K. P. Puttanna Chetty, Ktd., C.I.E.,
Chairman, The Board of Directors of the
Bank of Mysore, Ltd., BANGALORE.

I am directed to acknowledge receipt of your letter of the 15th October 1925 on the subject of the arrangements for filling the post of Manager of the Bank and to state as follows:-

2 In the first place, I am to observe that it does not appear that the views expressed in the Bank's reply ~~now~~ under consideration are based on any resolution of the Board.

3 Government had no intention of casting any reflection on the Board as to their desire to act in the best interests of the Bank. The observations of Government have reference only to the fact that the manner in which the resignation of Mr. Rose was accepted and a successor selected for him, was not calculated to enable Government to exercise the necessary control over the selection of the Manager in accordance with the agreement of the Bank with Government. Nothing is now urged in the letter under advertance that does not support this view.

4. Though Mr. Rose submitted his resignation on the 30th June 1925, his letter was placed before the Board only on the 21st July 1925 and even then no decision was arrived at as to whether the resignation was to be accepted or not. The intimation to the Dewan was in the following terms:

I

I beg to inform you that Mr. Rose has sent in his resignation giving three months' notice.

No opinion or decision was given on this case as to the acceptance of the resignation or the future arrangements.

5 It was only on the 14th August 1925 that the question was actually considered by the Board and it was decided to appoint Mr. O'Brien because Mr. Rose would not agree to continue till the next shareholders' meeting "on present conditions". There is nothing to show whether he was asked as to what were the conditions under which he was willing to continue. It is also clear that the decision to accept Mr. Rose's resignation and appoint in his place Mr. O'Brien was arrived at first and then the resolution regarding the conduct of Mr. O'Brien was recorded.

6 It is stated that it was after ~~when~~ Mr. O'Brien's appointment as Manager had been decided upon that Mr. Rose made some charges against Mr. O'Brien and that the Board considered that the irregularities were not of such a character as would affect the question of Mr. O'Brien's succession to the Managership. It is not clear why, if such were the case, a further detailed investigation was made into these charges and explanations were obtained and the matter brought up again before the Board on the 18th September 1925 when the Board passed a resolution expressing their regret at Mr. O'Brien's conduct and their hope that he would realise his responsibility and conduct himself in a manner befitting his position, especially when, in the first instance, the Chairman had been requested to take notice of Mr. O'Brien's conduct without any reference to the Board.

7 The application for the approval of this appointment was made to Government only on the 18th September 1925 and that too, on a call from Government and it is thus clear that the Board themselves could not be regarded as having decided upon the appointment of Mr. O'Brien finally before that date and that

their

their resolutions of the 14th August relating to the Managership were, in the circumstances, premature.

8 It is true that there was some D.O. correspondence between yourself and the Dewan. The D.O. of the 17th August 1925 merely stated:- "The Board has accepted Mr. Rose's resignation and sanctioned the consequential arrangements subject to the approval of Government, for which application will be made in due course." This communication certainly could not be considered as a request requiring action on the part of Government and the promised application itself was not received until it was called for by Government. The general trend of the demi-official correspondence was t o show that the matter had not reached the stage for orders of Government and that such orders would be sought for, in the usual official course, after the authorities of the Bank had arrived at their final decision.

9 Under clause (2) of para 6 of Government Order No. Fl.158-207/G.F.98-23-18 dated the 10th July 1923, the approval of Government has to be obtained before the appointment of a Manager can be made and this clearly implies that the matter should be referred to Government sufficiently in advance to enable them to decide whether the person proposed for t h e office is suitable for holding it. Any promise given by the Board or by Mr. Rose to Mr. O'Brien about the Managership would not bind Government to approve of his appointment and they have already pointed out that even the extension of t h e service of Mr. O'Brien as Deputy Manager required their approval.

10 Having regard to the fact that the Bank is an institution which was formed under the auspices of Government, to the financial relations — past and present — between Government and the Bank, and, to the public interests in general, Government have reserved certain powers and it has been specially provided in clause 6 of the agreement that the Bank should

give

give due consideration to any advice given by Government concerning the management of the business and employment and investment of the funds of the Bank. It is not right, therefore to hold that the Bank is an ordinary autonomous joint-stock institution. Government have reserved the right, in matters subject to their approval, to advise the Bank whenever any action proposed to be taken is likely, in their opinion, to be prejudicial to the interests of Government or to public interests and the action taken by Government has been entirely guided by these considerations..

11 The Chairman in his letter of the 18th February to the Dewan stated as follows:-

> "The policy of the Directors is to work in the closest co-operation with Government as therein lies the advancement of the trade and industries of the State and the prosperity of the Bank equally with that of the State. We desire to always possess the confidence and goodwill of the Government and thus secure the profitable privileges which the Imperial Bank of India and Baroda Bank are enjoying from their respective Governments."

The same sentiments were repeated in a letter dated the 27th March 1924.

12 In the recent troubles of the Bank, Government have been repeatedly approached for advice and assistance and the Board are aware that Government practically saved the Bank from a very critical position by the Dewan's reassuring remarks made in his speech to the Economic Conference.

13 The observation about "keeping Government in the dark" alluded to in your letter has reference to the conduct of Mr. O'Brien, of which particulars were not communicated to Government until a report was called for by Government.

14 As regards the statement that there was nothing seriously irregular in the conduct of Mr. O'Brien according to standards obtaining in the commercial world, it is not clear, if, in the commercial world, an officer showing persistent

insubordination

insubordination to duly constituted authority and committing other grave irregularities would, instead of being brought to book, would undoubtedly be promoted to a more responsible position.

Government note the assurance of the Bank that "they have every reason to believe that the warning (administered to Mr. O'Brien) will have the desired effect and that Mr. O'Brien will act in future with a due sense of discipline and propriety". The approval of Government to Mr. O'Brien's appointment is for a period of six months and they will await a report before the end of that period.

I have the honour to be,

S i r,

Your most obedient servant,

27.10.25

Financial Secretary to Government.

THE BANGALORE PRESS 5,000-1-25

ALL COMMUNICATIONS TO BE ADDRESSED
TO THE MANAGER.
TELEGRAPHIC ADDRESS: "MYSOREBANK"

Cy 119-25

The Bank of Mysore, Ltd.

POST BOX No. 37

Bangalore, 17th Decr. '25.

No.....

CONFIDENTIAL.

For kernal.
I shall note in this
letter and putup ref in
due Course
17.12.25

Rajakaryaprasakta
Dewan Bahadur M. N. Krishna Rao, Esq., B.A.,
Financial Secretary to the Government of Mysore,
Bangalore.

Dewan
4/3
Sir

I have the honour to acknowledge receipt of your letter No.2687 of 16th November 1925 on the subject of the arrangements for filling the post of Manager of the Bank.

2. The Board of Directors are greatly disappointed with the reply of Government and desire me to address you again as follows. I shall take each of the points mentioned in your letter seriatim.

3. Re. Para 2 of your letter. My letter of the 15th October was issued with the full concurrence of the (1) Board as recorded in their resolution dated 15th October 1925 which runs as follows:-

"Read Financial Secretary's Confidential letter "No.C.63 dated 3rd October 1925 and confidential pro- "ceedings No.62 of the same date regarding Mr. P. W. "O'Brien's appointment as Manager of the Bank. Re- "solved that a reply be sent to the Government by the "Chairman as per draft approved by the Board at this "meeting."

I may add that the present letter is also issued under the authority of the Board.

4. Re. Para 3 of your letter. The Government state that the manner in which the resignation of Mr. Rose was accepted and a successor selected to fill the post of Manager was not calculated to enable Government to exercise the necessary control over the selection. The facts are quite the other way and every opportunity was given to Government to approve the appointment or not.

5. Re. Para 4. As soon as Mr. Rose resigned his post, the same was communicated to the Dewan on the 1st July as also to the Directors, and the letter of resignation was placed before the Board at the very next meeting, i.e., on the 21st July 1925. No decision was then arrived at as the Board took time to consider the matter. When I intimated the fact of resignation to the Dewan it was with a view to enable Government to give such advice as they might think necessary and I was obviously not in a position then to communicate any decision or opinion of the Board as to the acceptance of the resignation or the future arrangements.

6. Re. Para 5. It was on the 17th August that I sent the Dewan a copy of the Board's resolution dated 14th

August regarding Mr. O'Brien's officiating appointment, which ran as follows:-

"The Board resolve to appoint Mr. P. W. O'Brien "as Officiating Manager subject to the approval of "the Government of Mysore, from the date of Mr. Rose's "departure, on a salary of Rs.1,400/- until he "reaches Rs.1,500/- in terms of his agreement dated "30th May 1924. He will occupy the free-quarters "in Bank premises. The post of Deputy Manager need "not be filled up".

"The Board resolve further that the Chairman "be requested to take suitable notice of the conduct "of Mr. P. W. O'Brien on certain matters reported by "the Manager at the Board Meeting to-day".

All that took place at the meeting and the details of conversation, could not find a place in the resolution. I may state that Mr. Rose was asked by the Board as to why (4) he could not stay on until the next General Meeting. His conditions were quite unacceptable. It serves no useful purpose to divulge them now, but if Government wish to know them, the Board would have no hesitation in furnishing the information.

7. Re. Paras 6, 7 and 8. It was after Mr. Rose's resignation was accepted and Mr. O'Brien was appointed to officiate as Manager subject to Government's approval, that Mr. Rose mentioned certain irregularities against Mr. O'Brien orally. These were then and there enquired into by the Board and as they did not appear to call for serious notice the Chairman was requested to look into them and take suitable notice of Mr. O'Brien's conduct. To enable a satisfactory enquiry being made, the Chairman asked Mr. Rose to reduce his allegations to writing. This was at the Board Meeting on 14th August. Mr. Rose, however, delayed the matter and did not send in his note until 6th September and then only on my reminding him. Mr. O'Brien submitted his explanation on the next day, viz., 7th September. Mr. Rose's further remarks were received a week later, i.e., on the 14th September. The whole correspondence was placed before the Board on 18th September and a final resolution was recorded. Immediately and on the same date, 18th September, official application to Government was made in the usual and proper course of business and not because of any call from Government. This was the earliest date on which it was possible to make such an application. It was considered desirable that the

vide his D.O. letter in office file 1/11

Board's final recommendation should be deferred until after considering the allegations made by Mr. Rose against Mr.O'Brien in writing. The Board were of the deliberate opinion that the irregularities did not merit any more serious notice than what was contained in the resolution recorded on 18th September. Under the circumstances the first resolution of the Board on 14th August which was subsequently confirmed (5) could not be considered premature. As regards the observation in the first part of para 8 of your letter, I would refer you to my explanation in para 5 supra.

8. Re. Para 9. The Board were fully aware that the approval of Government was necessary to the appointment of Manager and the Board respectfully maintain that the matter was referred to the Government as early as circumstances permitted and sufficiently in advance to enable them to decide "whether "the person proposed for the office was suitable for holding "it". As already stated, the Board were not in a position to make the application earlier than 18th September and there was an interval of 12 days to communicate the views of Government. If so advised, the Board would have made other arrangements to fill the place temporarily on receipt of Government orders.

9. Re. Paras 10 and 11. The Board are surprised to learn from your letter under reply that the Bank is not an ordinary autonomous Joint Stock Institution. The Bank of Mysor

is governed by the Mysore Companies' Regulation and its own Memorandum and Articles of Association. The Agreement with the Government is not inconsistent with the powers and privileges inherent in the Bank under the Law. Under the Agreement the Bank has to "appoint a duly qualified Banking expert as "the Manager with the approval of the Government; and to give "due consideration to any advice which may be tendered by "Government concerning the management of the business and "employment and investment of the funds of the Bank". The Board do not retract from this position. But the Board maintain that it is not right therefore to hold that the Bank has thereby forfeited its constitutional right and independence as an autonomous joint-stock institution conferred upon it by Law. If it were so, what was the need for an Agreement? The Board welcome any advice which Government may be pleased to give, but this does not mean that the Bank is to be treated as a subordinate department of Government and that it is bound to act up to the orders of Government. This view is not inconsistent with the sentiments expressed by the Chairman in his letter to the Dewan dated 18th February and 27th March quoted by you.

10. Re. Paras 13 and 14. The allegations against Mr. O'Brien were first referred to in the minutes of the Board's Meeting on the 14th August, copy of which was sent to the Dewan

on 17th August; i.e., 1 month and 14 days before Mr. Rosé's term would expire; whereas the call from Government for the same was made on 3rd September. The details were furnished on 18th September after completing the enquiry.

11. The Board are sorry to have to enter into such lengthy explanations which are rendered necessary by the remarks passed by Government on an insufficient appreciation of facts. They venture to hope that the Government will see fit to modify their opinions as expressed in your letters of the 3rd October and 16th November and absolve the Board from the serious imputations cast upon them.

I have the honour to be,

Sir,

Your most obedient servant,

PRESIDENT,
BOARD OF DIRECTORS,
BANK OF MYSORE, LTD.

P.S. I enclose copy of the resolution passed by the Board on the 17th instant.

Extract from the minutes of the Board Meeting of the Directors of the Bank of Mysore, Ltd., held on 17th December 1925.

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x x x x

4. It was unanimously resolved to reply to the Financial Secretary's letter of 16th November '25, No.Fl.2687, as per draft letter approved at to-day's meeting.

x x x x

'Extract"

CHAIRMAN.

C.R. 119-25-10

Draft.

Pl: 3677
26-12-25

To

Rajasabhabhushana Dewan Bahadur
Sir K.P.Puttanna Chetty, K.C.I.E.,
President, Board of Directors,
The Bank of Mysore, Limited,
BANGALORE.

S i r,

I am directed to acknowledge the receipt of your confidential letter dated the 17th December 1925 regarding the arrangements for filling up the post of Manager of the Bank.

2. I am to communicate the following observations of Government on the points mentioned in your letter:-

Para 3.- It was not stated in your letter of the 15th October 1925 that that communication was issued with the concurrence of the Board. Had this information been furnished, ~~khkk~~ the doubt which led to the remark made in para 2 of my letter of the 16th November 1925 would not have been entertained.

Para 5.- Your demi-official communication of the 1st July 1925 to the Dewan was simply an intimation of the fact that Mr. Rose had tendered his resignation. As you yourself state in this para, you were not in a position then to communicate any decision or opinion of the Board as to the acceptance of the

the resignation or the future arrangements. It is not clear, therefore, how the Board hold that on receipt of the said intimation Government should have given "such advice as they might think necessary"; Government could only advise the Bank on a concrete proposal placed before them and not on a matter which is still in the stage of consideration and on which the Board themselves have not made up their mind.

Para 6.- It cannot be denied that the conditions -- whatever they were -- which Mr. Rose is stated to have imposed and which the Board considered as "quite unacceptable" , were material for enabling Government to form their opinion as to whether Mr. Rose's continuance as Manager was or was not desirable and yet this material information was with-held from them. If the resolution of the 14th August 1925 could not contain this information, it might have been mentioned in your demi-official letter of the 17th idem to the Dewan, but no allusion whatever was made to it in that letter. Government have now no use for the information which is offered to be furnished after the event. It would have been of value to them if it had been given in time.

Para 7.- It is stated that Mr. Rose's allegations against Mr. O'Brien required a

a satisfactory enquiry and that it was considered desirable that the Board's final recommendation should be deferred until after considering the allegations made by Mr. Rose against Mr. O'Brien in writing. Accordingly, the whole correspondence relating to the enquiry was placed before the Board on the 18th September 25 and a final resolution recorded on that date. It is also added that the first resolution of the Board passed on the 14th August 1925 was confirmed on the 18th September 1925 which was the earliest date on which it was possible to make an application to Government. The Board's resolution of the 18th September 1925 expressed their regret at Mr. O'Brien's conduct and their hope that he would realise his responsibility and conduct himself in a manner befitting his position. The resolution of the 14th August 1925 which appointed Mr. O'Brien as Manager when the allegations against him had yet to be investigated, which required to be confirmed and made final in another resolution of the Board passed on the 18th September 1925, i.e., after an interval of more than a month and which could not be the basis for applying to Government for approving of his appointment cannot but be considered as premature.

Though There is nothing in the Resolution itself to support this statement.

Para 8.- It is admitted that the Board were not in a position to make the

the application to Government earlier than the 18th September 1925, but the Board consider that an interval of 12 days was sufficient to communicate the views of Government. As a matter of fact, the application dated the 18th September 1925 reached Government only on the 24th idem when they were pre-occupied with the work relating to the Dasara Session of the Representative Assembly and Mr. Rose had to be relieved on the 30th of the same month. Whether for the consideration and disposal of an important matter of this kind, it was sufficient to have allowed less than a week to Government is a point on which there cannot be two opinions and I am to add that you, with your intimate knowledge of Government work and machinery, can realise that the time given to Government was very far from adequate.

Para 9.- The Bank is certainly an institution governed by the Companies Regulation, but the eight conditions referred to in para 6 of Government Order No.Fl.158-207 dated 10th July 1923 impose restrictions which have been accepted by the Bank. All banks are not bound by such restrictions and a Bank which has agreed to restrictions, cannot be considered to be an ordinary autonomous joint-stock institution. There is, therefore, no reason for the Bank to feel surprised at a statement of fact made in para 10 of my letter of the 16th November 1925. There

There is no reason whatever, for thinking that the Bank is treated as a subordinate department of Government. Government are quite aware of its legal position as a corporation; but, it has also certain relations with Government as defined in the Government Order of the 10th July 1923. The Bank can have all the independence of an ordinary joint-stock institution if it can forget its obligations to Government and does not desire to maintain ~~and~~ its association with Government in the future. Government are, however, glad to be assured that there is no desire on the part of the Bank to retract from the position defined in the order of 10th July 1923 and that the ~~Bank~~ Board welcome any advice which Government may be pleased to give.

Para 10.- All that was stated in the resolution of the 14th August 1925, a copy of which was demi-officially sent to the Dewan on the 17th idem, was an allusion to suitable notice being taken of the conduct of Mr. O'Brien "on certain matters". It can hardly be argued that a mere reference to "certain matters" was a sufficient report on the subject to Government. Government became aware of the nature of the irregularities and of the notice taken of them by the Board only on the 24th September 1925 when the Bank's application of the 18th idem reached

reached them, and in the meantime, there were two requests for a report on this matter; the first, an official one dated 3rd September 1925 by the Financial Secretary and the second, a demi-official one dated 20th September 1925 by the Dewan.

3. I am in conclusion to add that it serves no useful purpose to prolong this controversy. For the proper exercise of the powers reserved to them under the Order of 10th July 1923, Government require to be taken into full confidence and also allowed sufficient time for the consideration of matters referred to them and the sole object of the correspondence of Government on this subject is to bring these points to the notice of the Board, so that the necessity may not arise in future - which has arisen in the present case.

I have etc.,

Financial Secretary to Govt.

The Aryan Hosiery Factory

MYSORE ROAD,

Bangalore City 24th Sept. 1925.

To

The Chief Secretary

to the Government of Mysore,

(Camp) M-Y-S-O-R-E.

Dear Sir,

I beg to submit herewith a memorial to the Gracious consideration of His Highness The Maharajah of Mysore and His Benign Government for needful consideration before any action the Government may intend to take regarding the resolutions of the Board of Directors of the Bank in giving effect to the resignation of Mr. W.V.Rose. As the situation has developed to sericus magnitudes my humble prayer is that the Benign Government would dispassionately view the whole situation in the interests of the Bank before final ordere are passrd under the present exigencies.

Yours faithfully,

No.

May it please Your Highness,

The Signatories on the attached list have charged me with the onerous duty of drafting their grievances to Your Highness, which task, grave and momentous as it is, I beg leave to most respectfully submit to Your gracious consideration for immediate action and early relief in the matter now arising due to the resignation of Mr: W.C.Rose, the manager of the Bank of Mysore, and the deep & feelings of dissapointment at present prevailing in the minds of Your humble and loyal Subjects of the State.

Your Highness, the internal controlx and decipline of the Bank of Mysore under duel management for over some time past, has been unfortunately very sad , giving room for all sorts of apprehentions and misgivings of Bank's secrets. This system of control affecting the life and interests of the Bank was very much resented by Mr: Rose on matters of high deciplinery principles. Mr: Rose under the delicate and intricate circumstances urged upon the Directors of the Bank for some definite line of action with a view to restore and establish a rigid and healthy control over the affairs and management of the Bank and thereby insure the sacred trust imposed in the Institution, but now in suspence, which proposition if not favoured he may be permitted to resign. The Directors unfortunately failed to appreciate and uphold the force of Mr: Rose's recommendations, and their decision in accepting the resignation was given effect to , ~~and xxxxxxxxxxxx~~

not by the unanimous opinion of the majority of - - the Directors, but, was achieved on purely technical grounds accomplished by the partial and lifeless casting vote of the Chairman of the Bank. This news, Your Highness, hasbeen received with deep grief - - - by one and all of Your humble subjects, and it has - - caused a wide-spread excitement and disappointment - - among the merchantile community of the State in - - - particular, who beg to frankly express that the Bank would be deprived of an able and tactful manager.

Your Highness , Mr: Rose was solely res - - ponsible in the introduction of intensive banking for the first time in the State advancing large facilities for the improvement of trade and commerce , inspring confidence in business life , and freely and willingly giving sound and timely advise for the growth of it , and establishing direct Import Export trade of the - State commodities with Countries abroad . The happy inaugeration of the Mysore Bank by Your Highness's - Government was deliberated to afford adequate help and relief towards the development of trade and industries of the State , which purpose , Mr: Rose , richly and amply fulfilled those noble and cherished objects of Your Government to a successful and fruitful termi - nation , with a continuous ample flow of returns for over a decade to the Proprietors of the Bank - The Shareholders . In short, Your Highness , with his - seasoned experience of Indian Banking appropriately applied with his stout efforts and wise judgment , the Bank stands to day a monument of pride and glory of the State.

It is indeed , a great pity , Your Highness; that the Directors are not alive to the situation ,

keeping at heart the future prosperity of the Bank forgetting the trivial and personal conflits aimed among themselves . It is greatly deplored that - the Bank has become the centre of public attraction of unwholesome controversy,and it is therefore very imperative in the interests of the Bank and the - - bonafide trust and confidence vested in them and - guaranteed and protected by Your Noble Government, certain gross irregularities which the Directors do not wish to expose are thoroughly and carefully - scrutanised by the Agency of Your Benign Government in the interests of Government and public trust : and it is their humble prayer that in the critical situation now existing , Your Benign Government would take a bold step in the confirmation of appointment of a safe, able, trustworthy, and tactful manager instead, as per Proviso provided in the Articles of Bank before the present incumbant is allowed to resign.

The Signatories, Your Highness,have no voice at all in the administration and management of the Bank and their appeal to the Directors is a wild cry in the wilderness . It is admitted that it is the trade that has been largely contributing to the - profits of the Institution and they fully acknowledge that but for the Bank's assistance their trade and conditions would never have prospered so well. As loyal subjects of Your State , they sincerely believe that if the resignation of Mr: Roase is given effect to, their only fears are that the trade of the State would be jeopardised and the well organised and established Bangalore Market would become totally inactive. - the reputation that this town has acquired in the Indian

Indian Market since the Bank's inception.

The record of servise that Mr: Rose has pledged to the Bank is admirable, and permission is also sought, Your Highness , to give expression to the solid truth that the State cannot afford to lose the services of the two eminent men in the personages of Dr: Armugum Mudalier and Mr: Rose; and their humble prayer is that these may be allowed to be retained in service as long as the last glow of life is in them , who, possess gifted qualities of such high order that rarely any could acquire or surpass.

In the present gravity of the situation, the immensity of the dark gloom gathering around - and the momentous development that has materialised and the high tension of agitation and the apprehentions that they are anticipating, are all positive factors which require due action to shape and mould the future destiny of the Bank, and although helpless in the present predicament, they are left with only one glimmering ray of hope in their desparity, compelled under unavoidable circumstances to approach Your Highness at a most awkward and inconvenient time to seek adequate redress and protection at Your - - Highness's Hands, so that, their trust and interests would be permanently guarded. They also beg to be pardoned for presenting this petition under extrordinary circumstances at a time when Your Highness is entirely and ptherwise engaged.

In conclusion , Your Highness, The motive that impelled them to take such a step was mainly the pious hope that the prosperity of the Bank founded

founded by Your Benign Government is better assured with Government Control and Help under Your - - - - Highness's Parentalm Care and Guidence, and they pray that in the absolute trust that they have in Your - Highness, Your Highness will be pleased to retain - - the services of Mr. Rose for sometime more to come till the Institution stands firm and that everything is put to a ship-shape condition, until the present deputy manager has received sufficient grounding and experience in the Indian Banking or some other suitable manager is imported.

24th September 1925.
Bangalore City.

We beg to remain,
Your Highness,
Your most loyal and humble subjects.

For The Signatures

Musapanattam Mudaliar & Co. Madrai Mudaliar

Lakshmi Narasimha Mudaliar

Haji Abdul Rahiman and Sons

Devidas and Co

Kallakurichi Brothers

V. M. Abdul Razack & Co.

M. A. Azeez & Co.

Syed Osman & Co

Masabdul Majeed & Co

Joh & Richie 3/8/25

Rob. C. Richie 3/8/25

Narasinga Rao — M. M. & Co.

Subbaraya — Brick & Tile Works Ltd

Mayer.

A Ramanujam — Raja Cycle & Arms works

Sankatheswara

Thaccadeh & Co

Yadalam Subbaiah Chetty

& Amirchand

H. Baboo & Bros.

Nagarmull & Co

for Chothmal Navlaji & Co

P. Veerasamy & Co.

Kapur Chand & Co

Manmull Kapurchand & Co.,
BANGALORE CITY.

(Devichand Pannaji & Co)

DEVICHAND PANNAJI & CO.,
BANGALORE CITY.

Sha Sunnilal Veesaji & Co.,
BANGALORE CITY.

SHA VALAJI HOTHIJI & CO.
BANGALORE CITY

Sha Okaji Akraji Jarachand

Noor Mahamed Tyub Sait & Sons,

Siddick Sait & Sons,

M. Aboobaker Mahomed Sait

Meena Abdur Rahim
& Co merchants

Abdul Lateef Khan
C/o Mr Mirza Hall
Bangalore Club

Mirza Abdul Rahim Beig

May it please Your Highness,

The Signatories on the attached list have charged me with the onerous duty of drafting their grievances to Your Highness, which task, grave and momentous as it is, I beg leave to most respectfully submit to Your gracious consideration for immediate action and early relief in the matter now arising due to the resignation of Mr: W.C.Rose, the manager of the Bank of Mysore, and the deep & feelings of dissapointment at present prevailing in the minds of Your humble and loyal Subjects of the State.

Your Highness, the internal controlk and decipline of the Bank of Mysore under duel management for over some time past, has been unfortunately very sad , giving room for all sorts of apprehentions and misgivings of Bank's secrets. This system of control affecting the life and interests of the Bank was very much resented by Mr: Rose on matters of high deciplinery principles. Mr: Rose under the delicate and intricate circumstances urged upon the Directors of the Bank for some definite line of action with a view to restore and establish a rigid and healthy control over the affairs and management of the Bank and thereby insure the sacred trust imposed in the Institution, but now in suspence, which proposition if not favoured he may be permitted to resign. The Directors unfortunately failed to appreciate and uphold the force of Mr: Rose's recommendations, and their decision in accepting the resignation was given effect to , and , by the

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It is indeed , a great pity , Your Highness; that the Directors are not alive to the situation

keeping at heart the future prosperity of the Bank forgotting the trivial and personal conflits aimed among themselves . It is greatly deplored that - the Bank has become the centre of public attraction of unwholesome controversy,and it is therefore very imperative in the interests of the Bank and the - - bonafide trust and confidence rested in them and - guaranteed and protected by Your Noble Government, certain gross irregularities which the Directors do not wish to expose are thoroughly and carefully - scrutanised by the Agency of Your Benign Government in the interests of Government and public trust : and is is their humble prayer that in the critical situation now existing , Your Benign Government would take a bold step in the confirmation of appointment of a safe, able, trustworthy, and tactful manager instead, as per Proviso provided in the Articles of Bank before the present incumbant is allowed to resign.

The Signatories, Your Highness,have no voice at all in the administration and management of the Bank and their appeal to the Directors is a wild cry in the wilderness . It is admitted that it is the trade that has been largely contributing to the - profits of the Institution and they fully acknowledge that but for the Bank's assistance their trade and conditiond would never have prospered so well. As loyal subjects of Your State , they sincerely believe that if the resignation of Mr: Roase is given effect to, their only fears are that the trade of the State would be jeopardised and the well organised and established Bangalore Market would become totally inactive. - the reputation that this town has acquired in the Indian

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In conclusion (5) , Your Highness, The motive that impelled them to take such a step was mainly the pious hope that the prosperity of the Bank founded

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24th September 1925.
Bangalore City.

We beg to remain,
Your Highness,
Your most loyal and humble subjects.

By regd post
25/9/25

Davangere,

21st September 1925.

To,

The Dewan of Mysore.

Sir,

We the share holders, depositors and merchants of Davangere beg to represent as follows :-

You are no doubt aware that Mr. Rose, manager of the Mysore Bank, has tendered his resignation and the same has been accepted by the Board of Directors. It is natural that Mr. Rose should seek retirement after the strenuous work of over 12 years but we consider that the present is not the opportune time for the Bank to lose the valuable services of Mr. Rose. The Bank is at present passing a a very critical time owing to the depression in the money market and other causes and Mr. Rose's experience with men and matters at this juncture will we think be of immence value. It is our humble desire therefore that the Government should intervene and try to retain Mr. Rose for some time more.

We beg to remain,

Sir,

Your most obedient servants

	Name and Address.	Number of Shares.	Amount Deposited.	Signature.
1	Charmani Basalingappa			
	Share holder & merchant	135		
2	Pallagatti Basappa			
	Share holder & merchant	51		
3	Adisettara Channappa			
	Share holder & merchant	75		
4	Orekondi Gudlappa Share-			Orekondi Gudlappa
	holder and merchant	51		
5	Andanur Kotrabasappa			
	Share holder & merchant	41		
6	Andanur Mallasettappa			
	Share holder & merchant	25		
7	Soppina Murudappa			
	Share holder & merchant	10		

	Name and Address.	Number of Shares.	Amount Deposited.	Signature.
8	Channagiri Rangappa Share holder, Depositor and Sowcar	50		Channagiri Rangappa
9	Bettur Gurusantappa Share holder & merchant	10		
10	Maganahalli Sangappa Share holder, Depositor	50	Rs 20,000/-	
11	pallagatti Sannagurusiddappa Share holder & Depositor	25	" 2,000/-	
12	Devaramani Sidramanna Share holder Depositor and merchant	26	" 5,000/-	
13	T.M. Shadaksharappiah Share holder & Sowcar	50		
14	Kasala Venkappa Share-holder and merchant	32		
15	Bellulli Gurusiddappa Share holder & Sowcar	10		
16	Nagappa Gurusantappa Savaligi Share holder and merchant	50		Savaligi
17	L.S. Sirur Depositor		" 5,000/-	
18	Orekondi Chandappa Share holder & merchant			
19	pallagatti Gurusiddappa Merchant			P.G. Gurusiddappa
20	Mothi Doddappa Merchant			
21	Mysore Mutt prabhaiah Merchant			
22	Belgavi Channappa Merchant			B. Channappa
23	Bramhappa Savanappanavar Merchant			J. Devendrappa
24	Mohamed Guase sahib Merchant, Municipal Councillor & Bench Magistrate			Mohamed Ghouse Sab
25	Shantaviraya Athani Heremath Municipal Councillor and Proprietor Ginning Factory			Shantaviraya Athani Heremath
26	Kasala Anantappa & Sons Merchants			K. Srinivasa Setty For K. A. Sons
27	Kasala Vasudevappa Somanna Merchants			
28	Rajanahalli Appanappa and sons.			R. Ramachetty